Pursuant to A.R.S. § 41-1545 et seq., the Arizona Commerce Authority (ACA) administers the Arizona Competes Fund. Under A.R.S. § 41-1545.02, grants from the Arizona Competes Fund may be used for (i) attracting, expanding or retaining Arizona businesses; and (ii) supporting and advancing programs and projects for rural businesses, small businesses and business development that enhance economic development. The ACA’s fiscal year 2014 is July 1, 2013 through June 30, 2014.

Quarterly Report

Below is a summary of quarterly activity under the Arizona Competes Fund during fiscal year 2014.

3rd Quarter (1/1/14 through 3/31/14)

Attracting, expanding or retaining Arizona basic enterprises (A.R.S. § 41-1545.02(A)(1)):

No awards.

Supporting and advancing programs and projects for rural businesses and small businesses (A.R.S. § 41-1545.02(A)(2)):

1. Name: Rural Economic Development Grant Program
   Objective: The REDG Program is intended to help rural communities initiate and sustain economic development projects that focus on job growth and capital investment in base industries. The competitive grant is intended to promote local self sufficiency by providing direct assistance to rural communities for projects that (i) attract new business development from other states and/or (ii) retain and expand existing businesses, both for the purpose of job creation.
   Awarded: $869,156
   Grantees: Two awards were made to the following entities:
   1) Town of Prescott Valley
   2) City of Coolidge

2. Name: Arizona Innovation Challenge Program
   Objective: The Innovation Challenge Program is a competitive business plan competition that awards qualified, innovative start-up and early stage companies capital to grow their business in Arizona.
   Awarded: $1,500,000
   Grantees: Six awards were made to the following entities:
   1) Clear Demand
   2) Contatta
   3) Deliver IT
# Arizona Competes Fund

Released April 15, 2014

4) Photon Medical Communications  
5) Recoleta Digital Media  
6) Yolia Health

## 2nd Quarter (10/1/13 through 12/31/13)

No Awards.

## 1st Quarter (7/1/13 through 9/30/13)

### Attracting, expanding or retaining Arizona basic enterprises (A.R.S. § 41-1545.02(A)(1)):

1. **Grantee:** Hotchalk, Inc.  
   - **Awarded:** $1,250,000  
   - **Projected Jobs:** 595 (NAICS 611699)  
   - **Average Wage:** $68,000  
   - **Health Insurance:** 65% paid by company  
   - **Potential Capital Investment:** $3,300,000

2. **Grantee:** ZocDoc, Inc.  
   - **Awarded:** $750,000  
   - **Projected Jobs:** 634 (NAICS 621999)  
   - **Average Wage:** $55,000  
   - **Health Insurance:** 65% paid by company  
   - **Potential Capital Investment:** $6,000,000

### Supporting and advancing programs and projects for rural businesses and small businesses (A.R.S. § 41-1545.02(A)(2)):

No awards.

## Fund Status

Since inception of the Arizona Competes Fund in July 2011, the ACA has awarded nine grants under A.R.S. § 41-1545.02(A)(1), in the cumulative amount of $10,700,000, and has funded two programs under A.R.S. § 41-1545.02(A)(2), in the cumulative amount of $8,719,206, for a total of $19,419,206.

## Future Reporting Dates

<table>
<thead>
<tr>
<th>4th Quarter Report</th>
<th>(4/1/14 through 6/30/14)</th>
<th>July 15, 2014</th>
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<tr>
<td>Comprehensive Annual Report</td>
<td>(7/1/13 through 6/30/14)</td>
<td>November 3, 2014</td>
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