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 Funds 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 2012 is July 1, 2011 through June 30, 2012.

Quarterly Report

Below is a summary of quarterly activity under the Arizona Competes Fund during fiscal year 2012.

3rd Quarter (1/1/12 through 3/31/12)
Grants Awarded:

   Awarded: $1,000,000 (~$9,009 per job)
   Projected Jobs: 111 (NAICS 621512)
   Average Wage: $67,000
   Health Insurance: 65% paid by company
   Potential Capital Investment: $1,680,000

2. Grantee: Silicon Valley Bank
   Awarded: $3,000,000 (~$13,636 per job)
   Projected Jobs: 220 (NAICS 522110)
   Average Wage: $88,000
   Health Insurance: 80% paid by company
   Potential Capital Investment: $5,000,000

2nd Quarter (10/1/11 through 12/31/11)
Grants Awarded:

   Awarded: $1,000,000 (~$4,444 per job)
   Projected Jobs: 225 (NAICS 335312)
   Average Wage: $65,000
   Health Insurance: 65% paid by company
   Potential Capital Investment: $7,000,000 - $10,000,000

1st Quarter (7/1/11 through 9/31/11)
Grants Awarded:
No awards.

Note: Actual job creation and capital investment numbers will not be available until the recipient submits its first annual progress report.
**Fund Status**

To date, the ACA has awarded three grants for $5,000,000 dollars leaving approximately $20,000,000 dollars of the FY 2012 Fund allotment for future awards.

**Future Reporting Dates**

<table>
<thead>
<tr>
<th>Reporting Date</th>
<th>Due Date</th>
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<tbody>
<tr>
<td><strong>4th Quarter Report</strong> (4/1/12 through 6/30/12):</td>
<td>July 15, 2012</td>
</tr>
<tr>
<td><strong>Comprehensive Annual Report</strong> (7/1/11 through 6/30/12):</td>
<td>November 1, 2012</td>
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</tbody>
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