



Economic Development Authority www.USVIEDA.org

**GOVERNMENT OF THE VIRGIN ISLANDS
OF THE UNITED STATES
ECONOMIC DEVELOPMENT COMMISSION**

**SECOND MODIFIED AND FIRST EXTENDED
CERTIFICATE**

**INTERNATIONAL CAPITAL AND MANAGEMENT COMPANY, LLC
(Beneficiary)**

Pursuant to the authority vested in me as Chairman of the Virgin Islands Economic Development Commission ("VIEDC" or "Commission") by V.I. CODE ANN. tit. 29, §§ 701-726 and in the name of the Government of the Virgin Islands of the United States, I do hereby issue this Economic Development Commission Second Modified and First Extended Certificate ("Certificate") to International Capital and Management Company, LLC ("Beneficiary") whose extension application for Economic Development Commission benefits was received by the VIEDC on August 7, 2013 and its request for modification of benefits pursuant to 29 VIC § 713(a)(b)(1) and § 713(a)(d) received on November 14, 2014. The Commission finds that the Beneficiary is an eligible for a modification of benefits pursuant to the Commission's Rules and Regulations ("V.I.R.R.") 715-4(1). The grant of benefits hereinafter described is for the Beneficiary or any successors approved for the ownership and operation of a Category IV¹ designated services business providing business consulting and management services, construction management and advisory services, investment management and reporting services, accounting and private merchant banking services, and operation of a corporate university known as The Center for Learning. All of its clients shall be located outside the U.S. Virgin Islands.

This Certificate is subject to the acceptance of and full compliance by the Beneficiary with the following standard and special conditions and the timely performance and observance of the same by the Beneficiary:

I. The Beneficiary shall invest in this business in the U.S. Virgin Islands not less than the amount of Ten Million Dollars² (\$10,000,000.00) in the benefitted business within three (3) years from the date the Chairman signs the Certificate.

¹ See 2014 V.I. Sess. Laws, Act 7651, Section 2, page 3.

² "Dollar" refers to the currency of the United States of America.





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II. The Beneficiary shall employ a minimum of 70 full-time employees annually for the first five (5) years of extended benefits. Employment shall increase to a minimum of 120 full-time employees annually from the sixth to fifteenth year and shall increase to a minimum of 150 full-time employees annually thereafter. During the entire period of the grant of benefits at least 80% of all employees of the Beneficiary must be U.S. Virgin Islands residents as defined in 29 V.I.C. § 710(e) and not less than 20% of management, supervisory and/or technical positions must be held by residents of the U.S. Virgin Islands pursuant to 29 V.I.C. § 710(a).

III. The following standard conditions shall apply:

- 1. Beneficiary shall comply with any and all reasonable requests during regular working hours of the Commission, the Virgin Islands Department of Finance, the Virgin Islands Office of the Inspector General, Virgin Islands Department of Labor, Virgin Islands Department of Licensing and Consumer Affairs, and the Virgin Islands Bureau of Internal Revenue.**
- 2. This Certificate is conditioned upon the performance and observance of the benefits contained herein within the period of time specified and upon the final determination of the Secretary of the Treasury of the United States or his or her delegate, of compliance of the Beneficiary with the requirements of the U.S. Internal Revenue Code §§ 932, 934 and 937, as amended, if applicable.**
- 3. Beneficiary shall comply with all applicable provisions of Title 29, Chapter 12 of the Virgin Islands Code, the rules and regulations issued pursuant thereto, and all other applicable local and federal laws and regulations, including but not limited to those dealing with non-discrimination and veterans' employment rights.**
- 4. Beneficiary shall comply with all federal and local laws, including but not limited to laws which establish standards of ecological and environmental compatibility, with rules and regulations of the Virgin Islands Bureau of Internal Revenue, including the filing and payment of all applicable taxes owed and due, and with the rules and regulations of the Commission.**
- 5. Beneficiary shall maintain payroll accounts, from which local employees are paid, in a bank licensed and conducting business in the U.S. Virgin Islands, in compliance with 1992 V.I. Sess. Laws, Act 5768, Section 8, page 10.**





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6. This Certificate shall be effective as long as the Beneficiary remains in compliance with all conditions and requirements herein.

7. Upon a written finding by the Commission, after a hearing as provided in 29 V.I.C. § 722, if required, that the Beneficiary has failed to observe the conditions in this Certificate, or to comply with any of the time limits provided herein or otherwise provided by law, and upon such further finding that such failure is not due to an act of God, a "force majeure," or to the reliance in good faith by the Beneficiary, on a false statement by a third party agent unrelated to the Beneficiary, then the Certificate may be revoked, suspended or modified by the Commission pursuant to 29 V.I.C. § 722. As provided in 29 V.I.C. § 718(b), upon failure of the Beneficiary to perform or observe the conditions as required by the Commission, the Certificate shall be deemed to be of no force and effect, and the Beneficiary shall pay or refund, as the case may be, to the Government of the U.S. Virgin Islands, the amount of any benefit actually received under the Certificate. Upon a determination by the Secretary of the Treasury of the United States or his or her delegate that the Beneficiary has not complied with applicable Internal Revenue Code sections, the Beneficiary shall pay or refund, as the case may be, to the Government of the U.S. Virgin Islands, the amount of any subsidy benefits, based on income tax liability, actually received, or the amount of the reduction of income tax liability on a current basis for all the years of non-compliance.

8. If the Beneficiary is found to have made false or fraudulent statements or representations or false claims for benefits, then pursuant to 29 V.I.C. § 725, the Beneficiary shall be fined not more than Twenty-five Thousand Dollars (\$25,000.00) or imprisoned not more than two years, or both. In addition to the foregoing, any benefits previously granted by the Commission to such beneficiary shall be deemed automatically revoked, without necessity for the procedures established under 29 V.I.C. § 722. All taxes that were otherwise due and payable by such beneficiary but for the tax exemption benefits granted, shall become due and payable as of the date or dates when, but for such tax exemption, they would have been due and payable, and the same shall be assessed and collected in accordance with the provisions of the applicable tax laws in force for such date or dates. Additionally, the amount or amounts of all subsidy benefits, based on income tax liability, actually received, shall be deemed debts due and owing to the Government of the Virgin Islands as of the date or dates when payment of subsidy was made.

Handwritten initials





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9. Beneficiary shall commence the active conduct of the business for which this Certificate was granted within five (5) years of approval by the Governor, unless otherwise provided or unless the business has already commenced.³
10. Any new shareholders, partners, owners, members or beneficiaries added to the entity after its application has been approved may not claim benefits under the Economic Development Program without the prior written approval of the Commission.
11. The Commission requires the Beneficiary to fulfill each of the express promises made during the application process and at the public hearing. The Commission requires the Beneficiary to comply with all U.S. Virgin Islands and federal laws, including, but not limited to, the filing and payment of all applicable taxes owed and due prior to the commencement of benefits.

IV. The following special conditions shall apply:

1. The Beneficiary shall make a minimum charitable contribution of Sixty Thousand Dollars (\$60,000.00) annually to charitable causes in the U.S. Virgin Islands, with the first contribution under the extended Certificate occurring in 2014. Of that amount, a minimum of Thirty-Five Thousand Dollars (\$35,000.00) shall be directed to public school programs and initiatives, including after-school programs, summer programs, and school organization endeavors; and a minimum of Three Thousand Dollars (\$3,000.00) shall be contributed annually to the Territorial Scholarship Fund⁴ and used in accordance with the purpose of the fund pursuant to 29 V.I.C. § 708(m). The Beneficiary shall direct the remaining amount of the overall charitable contribution towards broad based charitable causes related to health, community, children, education, family, religion, women, the arts, and animals.

In-kind contributions reflected in costs borne in the process of planning and conducting community events, such as Jazz in the Park and donations of medical equipment shall count towards satisfaction of the Beneficiary's minimum charitable contribution.

³ Pursuant to 2014 V.I. Sess. Laws, Act 7651, as applicable henceforth, Beneficiary shall commence the active conduct of the business at a date certain, but in no event may the commencement of benefits occur later than one year after the date of the Governor's approval of benefits. The Commission may extend the time for commencement of benefits to a time certain beyond one year after the date of the Governor's approval of benefits upon good cause and a finding that the benefits would be a nullity to the beneficiary if commenced prior to one year after the date of the Governor's approval of benefits.

⁴ See 17 V.I.C. § 171.





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2. The Beneficiary shall contribute Two Thousand Five Hundred Dollars (\$2,500.00) annually to the U.S. Virgin Islands Department of Labor, to be managed in collaboration with the Virgin Islands Economic Development Authority ("VIEDA"), for the creation, development, management, and maintenance of a database designed to recruit U.S. Virgin Islanders living abroad who desire to move back to the U.S. Virgin Islands, pursuant to 2011 V.I. Sess. Laws, Act 7301, Section 5(a), page 7.
3. The Beneficiary shall notify the Virgin Islands Employment Service⁵ as to the availability of employment by it or its subcontractors, the number of employees required, the occupational classification of such workers, and the applicable wage rate in accordance with 29 V.I.C. § 708(k).
4. The Beneficiary shall commit to working closely with the VIEDC to bring other enterprises to the U.S. Virgin Islands, and shall participate in public/private initiatives and VIEDC marketing efforts toward that end.
5. The Beneficiary shall provide its full time employees with one hundred percent (100%) employer paid health and dental insurance coverage. The Beneficiary shall also provide dependent coverage through the same provider with employer paying fifty percent (50%) of the cost.
6. The Beneficiary shall provide eligible employees with a minimum of Fifty Thousand Dollars (\$50,000.00) employer paid term life insurance.
7. The Beneficiary shall provide its employees with a defined contribution plan such as a 401(k) or similar retirement plan pursuant to 29 V.I.C. § 708(q) with employer contributing an amount equal to three percent (3%) of each employee's annual salary whether or not the employee contributes. The Beneficiary shall also provide a match up to two percent (2%) of the employee's compensation, if the employee makes an equal contribution to the plan.
8. The Beneficiary shall provide its eligible employees with 17 days paid time off up to the third (3rd) year of employment, 22 days paid time off during the fourth (4th) and fifth (5th) years of employment, and 27 days paid time off over five (5) years of employment. Paid time off can be used for vacation, personal or family illness, and other activities of the employee's choice. The Beneficiary shall also

⁵ See 24 V.I.C. § 153 (providing that the Virgin Islands Employment Service is a division of the V.I. Employment Security Agency, which is a division of the Virgin Islands Department of Labor); see also 3 V.I.C. § 355(a) (transferring the Virgin Islands Security Agency from the Office of the Governor to the Virgin Islands Department of Labor).





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provide its employees with 13 paid holidays annually. Thanksgiving Second Day shall be designated as a floating holiday, which is available only if the employee works on either Veterans Day or Columbus Day.

9. The Beneficiary shall comply with the management training program as approved by the VIEDC in accordance with 29 V.I.C. § 708(n).
10. The Beneficiary shall partner with the University of the Virgin Islands to provide the Entrepreneurship Business Institute ("EBI"), a three-week summer entrepreneurship program for high school sophomores and juniors. The program shall guide students through idea creation, development of a business idea, selling the business idea to a panel of judges, and eventually launching the idea as a micro-business to be operated under the tutelage of a mentor from the business community.
11. The Beneficiary shall provide its employees with tuition reimbursement up to a maximum of Five Thousand Two Hundred Fifty Dollars (\$5,250.00) annually, per employee, for the completion of courses within an associate's or bachelor's degree pertaining to the employee's job duties or for courses that improve proficiency or productivity in the workplace. The Beneficiary shall reimburse its employees depending on the grade achieved. The Beneficiary shall provide a 100% reimbursement for an "A"; 90% reimbursement for a "B", and 80% reimbursement for a "C".
12. The Beneficiary shall hire at least two (2) qualified individuals from the Jobs Financial Program⁶, through the Department of Human Services pursuant to 29 V.I.C. § 708(l).
13. The Beneficiary shall provide its employees with additional leave from work, other than time applied to their annual leave, to participate and represent the U.S. Virgin Islands in athletic and sporting events in accordance with 29 V.I.C. § 708(p).
14. The Beneficiary shall establish and maintain a Donated Leave Program similar to the program established under 3 V.I.C. § 583b and in accordance with 29 V.I.C. § 708(s).

⁶ The Jobs Financial Program is formerly known as the Welfare to Work Program under the Department of Human Services.





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15. The Beneficiary shall require all contractors to purchase insurance from resident insurance companies, agents, or brokers licensed to operate in the U.S. Virgin Islands in accordance with 29 V.I.C. § 708(r).
16. In accordance with, and subject to 29 V.I.C. § 708(h), and applicable rules and regulations of the VIEDC, with regard to the Eligible Supplier Program, the Beneficiary shall purchase all goods and services, as available and to the greatest extent possible, from U.S. Virgin Islands entities duly licensed for one year or more and in good standing under the laws of the U.S. Virgin Islands.

V. Specifically Excluded Trade or Business:

Clients located within the U.S. Virgin Islands

NOW, THEREFORE, after consideration of the representations of the Beneficiary made both orally and in writing, and as agreed to herein pursuant to the public hearing held on December 5, 2014 and Commission meeting held December 19, 2014, the Commission, with the prior approval of the Governor of the U.S. Virgin Islands hereby enters into this Certificate with the Beneficiary, which grants the benefits stated in Appendices and Sub-Appendices A through C, to commence and terminate as stated in each signed Appendix. The Beneficiary shall comply with the conditions herein, the provisions of 29 V.I.C. §§ 701-726 as existing on the date of the Governor's approval, the Rules and Regulations of the Commission promulgated in accordance with 29 V.I.C. § 705(f) and all applicable laws, rules and regulations of the U.S. Virgin Islands and of the United States of America.





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IN WITNESS HEREWITH, the parties hereto have caused this Certificate to be executed on the dates below:

V.I. Economic Development Commission

[Signature]
Witness

Jose A. Penn
Jose A. Penn, Interim Chairman

Carol Dupon
Witness

Date: 03/01/2016

International Capital and Management Company

Margate O. M. Clew
Witness

Accepted by: [Signature]

Cornel Williams
Print Name

Title: President.

Date: 2/14/16

[Signature]
Witness





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**APPENDIX A:
USVI INCOME, GROSS RECEIPT AND EXCISE TAXES**

NAME: International Capital and Management Company, LLC
PHYSICAL AND MAILING ADDRESS: 1600 Kongens Gade, St. Thomas, VI 00802
TELEPHONE: (340) 777-1302 **Fax:** (340) 777-1303

NATURE AND EXTENT OF BENEFITS:

USVI Income Tax: 90% percent exemption
USVI Gross Receipt Tax: 100% percent exemption
USVI Excise Tax (Raw Materials): 100% exemption from excise taxes (except gasoline taxes) on raw materials and component parts used by the Beneficiary in its production process (*does not apply because this designated services business does not perform an industrial or manufacturing process*).
USVI Excise Tax (Equipment, Machinery): 100% exemption from excise taxes on building materials, tools, pipes, conveyor belt, or other appliances, material, and supplies necessary for use in the construction, alteration, reconstruction or extension of the physical plant or facilities of the Beneficiary.

In the case of hotels, the excise tax exemption shall not apply to original or replacement furnishing. "Furnishings" means furniture and fixtures (§713-4(b))

COMMENCEMENT DATES OF BENEFITS:

USVI Income Taxes: June 16, 2013
USVI Gross Receipt Taxes: June 16, 2013
USVI Excise Taxes (Raw Materials): Not Applicable
USVI Excise Taxes (Equipment, Machinery): June 16, 2013

TERMINATION DATES OF BENEFITS:

USVI Income Taxes: June 15, 2033
USVI Gross Receipt Taxes: June 15, 2033
USVI Excise Taxes (Raw Materials): Not Applicable
USVI Excise Taxes (Equipment, Machinery): June 15, 2033

AUTHORITY FOR BENEFITS:

29 V.I.C. §§ 713b, 713a(a)(2), 713a(a)(3); 33 V.I.C. § 43d

Acting Chief Executive Officer, VIEDA: _____

Date: 03-01-16





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APPENDIX A1:
USVI WITHHOLDING TAX ON DIVIDENDS AND INTEREST

NAME: International Capital and Management Company, LLC
PHYSICAL AND MAILING ADDRESS: 1600 Kongens Gade, St. Thomas, VI 00802
TELEPHONE: (340) 777-1302 **Fax:** (340) 777-1303

NATURE AND EXTENT OF BENEFITS:

Dividend Withholding Tax Exemption in accordance with 29 V.I.C. § 713d
Interest Withholding Tax Exemption in accordance with 29 V.I.C. § 713d

<u>Member</u>	<u>Address</u>	<u>Owned</u>
Richard J. Stephenson	6110 Estate Peterborg St. Thomas, VI 00802	100%

NATURE AND EXTENT OF BENEFITS:

Dividend Withholding Tax Exemption in accordance with 29 V.I.C. § 713d
Interest Withholding Tax Exemption in accordance with 29 V.I.C. § 713d

COMMENCEMENT DATE OF BENEFITS:

Dividend Withholding Tax Exemption: June 16, 2013
Interest Withholding Tax Exemption: June 16, 2013

TERMINATION DATE OF BENEFITS:

Dividend Withholding Tax Exemption: June 15, 2033
Interest Withholding Tax Exemption: June 15, 2033

AUTHORITY FOR BENEFITS: 29 V.I.C. § 713d

Acting Chief Executive Officer, VIEDA: WFS Date: 03-01-16





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**APPENDIX B:
 USVI REAL PROPERTY TAXES**

NAME: International Capital and Management Company, LLC
PHYSICAL AND MAILING ADDRESS: 1600 Kongens Gade, St. Thomas, VI 00802
TELEPHONE: (340) 777-1302 **Fax:** (340) 777-1303

NATURE AND EXTENT OF BENEFITS:
 Real Property Taxes: 100% exemption of taxes on real property used for the business of operating a designated service business.

PARCEL(S) EXEMPTED:

COMMENCEMENT DATE OF BENEFITS:

Real Property Tax Exemption Starts: Not Elected

TERMINATION DATE OF BENEFITS:

Real Property Tax Exemption Terminates: Not Elected

AUTHORITY FOR BENEFITS: 29 V.I.C. § 713a(a)(1)

Acting Chief Executive Officer, VIEDA: MFB Date: 03-01-14





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**APPENDIX C:
CUSTOMS DUTIES**

NAME: International Capital and Management Company, LLC
PHYSICAL AND MAILING ADDRESS: 1600 Kongens Gade, St. Thomas, VI 00802
TELEPHONE: (340) 777-1302 Fax: (340) 777-1303

NATURE AND EXTENT OF BENEFITS:

V.I. Customs Duties to be assessed on raw materials and component parts brought into the U.S. Virgin Islands by the Beneficiary for the purpose of producing, creating, or assembling an article, good or commodity as a result of industrial or manufacturing processing such raw materials or component parts shall be imported into the U.S. Virgin Islands at a customs duty rate of one percent (1%).

COMMENCEMENT DATE OF BENEFITS:

Customs Duties Reduction Begins: Not Applicable

TERMINATION DATE OF BENEFITS:

Customs Duties Reduction Terminates: Not Applicable

AUTHORITY FOR BENEFITS: 29 V.I.C. § 713c

Acting Chief Executive Officer, VIEDA:  Date: 03-06-14

