

Virgin Islands Economic Development Commission
Decision Meeting of Thursday, July 7, 2022
Summary Report Out

During the Virgin Islands Economic Development Commission (“VIEDC”) Decision Meeting on Thursday, July 7, 2022, the Governing Board heard recommendations from EDC Team regarding two (2) application matters and one (1) compliance matter, and voted as follows:

Regular Session:

Action Items:

Applications:

1. Virgin Islands Coffee Company, LLC – New Small Business Program Application

Virgin Islands Coffee Company, LLC d/b/a Virgin Islands Coffee Roasters (“VICR”) is a U.S. Virgin Islands limited liability company that is seeking Virgin Islands Economic Development Commission (“VIEDC”) tax incentives as a Category II - Food Processing, Bottling, and Packing Company under the small business program pursuant to V.I. CODE ANN. tit. 29, § 708b. On February 10, 2022, the VIEDC received VICR’s application for consideration of tax incentive benefits as a “new” applicant under the small business program.

VICR will employ a minimum of two (2) new full-time employees, exclusive of owners, should benefits be granted. One (1) employee within one (1) year from the date commencement of benefits or one (1) year from the date the Chairman signs the Certificate, whichever is later and one (1) employee within two (2) years from the date commencement of benefits or two (2) years from the date the Chairman signs the Certificate, whichever is later. VICR also agrees to meet all statutory, and special conditions, and other applicable requirements for the grant of tax incentive benefits. VICR is located on the island of St. Thomas.

The Governing Board voted (5 – 0) to:

1. Find Virgin Islands Coffee Company, LLC d/b/a Virgin Islands Coffee Roasters is deserving of a grant of tax incentives under the VIEDC’s Small Business Program.
2. Grant Virgin Islands Coffee Company, LLC tax exemptions at one hundred percent (100%) of the incentives authorized by law for a period of 10 years in accordance with the provisions of V.I. CODE ANN. tit. 29, chapter 12, §§ 713a(b)(1) and 708b.
3. Require revenues derived from the retail sale of products manufactured or roasted and not distributed or wholesaled by Virgin Islands Coffee Company, LLC; and the importation, distribution, and/or sale of coffee not manufactured by Virgin Islands Coffee Company, LLC, as well as, retail of merchandise items, including t-shirts, hats, fresh roasted coffees, and other souvenirs from its cafes be specifically excluded from the tax incentives.

2. White Bay Global, Inc. – Change in Ownership Petition

White Bay Group, Inc. (“WBG”) WBG owns and operates a Category IV - Designated Services Business, which provides direct trade and investment as well as back office services to its clients located outside the U.S. Virgin Islands. WBG established White Bay Advisor USVI, LLC and White Bay Management USVI, LLC, wholly-owned, disregarded subsidiaries, to carry out these duties.

WGB's predecessor entity, White Bay Group USVI, LLLP, was approved Virgin Islands Economic Development Commission ("VIEDC") tax incentives on October 15, 2010. All tax incentive benefits commenced January 1, 2010, and terminated on December 31, 2019. White Bay Group USVI, LLLP was officially dissolved on November 12, 2013 after it was converted to White Bay Group USVI, LLC. White Bay Group USVI, LLC subsequently merged into White Bay Global, Inc. on November 12, 2013.

WBG submitted an application for transfer and modification of its Certificate on December 10, 2013. WBG's transfer request was approved effective December 1, 2013. On June 6, 2018 the modification request was approved extending all VIEDC tax incentives to December 31, 2019. WBG is located on the island of St. Thomas.

On April 27, 2022, White Bay submitted a petition for change in ownership.

The Governing Board voted (5 – 0) to:

1. Acknowledge and approve the change in ownership structure of White Bay Global Inc. pursuant to V.I. CODE ANN. tit 29, § 714(b) with the admission of new shareholders, the Uriel Cohen 2020 Dynasty Trust and Ausubel Family Dynasty Trust 2021, as follows:

EMT Action Fund c/o Conyers Corporate Services (Bermuda) Limited Clarendon House 2 Church Street Hamilton HM 11, Bermuda	41.00% Common
Uriel Cohen 4-49 Estate Botany Bay St. Thomas, VI 00802	26.76% Common
Uriel Cohen 2020 Dynasty Trust 4-49 Estate Botany Bay St. Thomas, VI 00802	22.75% Common
Elli Ausubel 2H-1 Estate Nazareth, Main House St. Thomas, VI 00802	7.50% Common
Ausubel Family Dynasty Trust 2021 2H-1 Estate Nazareth, Main House St. Thomas, VI 00802	2.00% Common

2. Require the admission of Uriel Cohen 2020 Dynasty Trust and Ausubel Family Dynasty Trust 2021 to be effective March 31, 2021.
3. Require Appendix A1 of the Certificate of tax incentives to be amended to reflect the change of shareholders and interests.

Compliance:

1. Neltjeberg Bay Enterprises, LLC – Resolution of Non-Compliance

On February 21, 2013, Neltjeberg Bay Enterprises, LLC ("NBE") was granted Virgin Islands Economic Development Commission ("VIEDC") tax incentives to conduct the business of operating a Category IIA - Designated Service Business, providing merchant banking and business consulting services to various businesses based in the United States. The services to be provided are in the areas of business management, operations management, banking

and capital finance, sales and marketing, financial transactions, risk management, billing, accounts receivable management, purchasing, accounting, investment advisory services, insurance, inventory control, strategic analysis, incentive compensation, mergers and acquisitions, valuation, executive recruitment, governance matters, customer bid preparation, competitive assessments, market assessments, and litigation support to its clients located outside the U.S. Virgin Islands. The VIEDC tax incentives was valid for a period of ten (10) years commencing January 1, 2012 and terminating December 31, 2021 NBE is located on the island on St. Thomas.

This report was presented to the VIEDC Governing Board for consideration of NBE's resolution of non-compliance for the period January 1, 2012 through December 31, 2019.

The Governing Board voted (5 – 0) to:

1. Accept Neltjeberg Bay Enterprises, LLC's inclusion of the Marine Vocational Program as part of its Special Condition No.1- Public School Programs and Initiatives contributions for the period January 1, 2012 through December 31, 2019.
2. Acknowledge Neltjeberg Bay Enterprises, LLC was out of compliance with Special Condition No. 1- Charitable Contribution requirement of its Certificate for the period January 1, 2012 through December 31, 2019, by a total shortfall of \$130,872.
3. Require Neltjeberg Bay Enterprises, LLC to pay \$130,872.00 to the Virgin Islands Department of Education or provide documentation to attest to in-kind services provided in accordance with IRS valuation requirements, to make whole its shortfall for Special Condition No. 1- Charitable Contribution- Public School Programs and Initiatives.
4. Acknowledge Neltjeberg Bay Enterprises, LLC was out of compliance with Special Condition No. 5- Retirement Plan for the period January 2012 through April 2014.
5. Acknowledge Neltjeberg Bay Enterprises, LLC failed to timely comply with the VIEDC reporting requirements in 2019 and assess a fine for reports filed in 2022 to be paid to the Industrial Promotion Fund in the amount of \$3,400.60.
6. Release Neltjeberg Bay Enterprises, LLC from the penalty and fines for failure to comply with the 2018 VIEDC reporting requirement in the amount of \$2,012.28 and for Special Condition No. 5 (retirement plan) pursuant to 29 VIC Section 723(c).
7. Advise Neltjeberg Bay Enterprises, LLC that a show cause order to explain why its certificate should not be revoked, suspended, or modified may be issued pursuant to 29 V.I.C. § 722 should Neltjeberg Bay Enterprises, LLC not comply with recommendation numbers 3 and 5 above within 10 days of notice of the Governing Board's Decision.