

WASHTENAW COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY

REIMBURSEMENT AGREEMENT

This Reimbursement Agreement ("Agreement") is made on January 31, 2007, between Toyota Motor Engineering and Manufacturing North America, Inc., a Kentucky corporation ("TEMA") and the Washtenaw County Brownfield Redevelopment Authority (the "WCBRA"), a Michigan public body corporate.

PREMISES

- A. TEMA and its affiliate, Toyota Motor North America, Inc., f/k/a Toyota Technical Center, U.S.A., Inc., a California corporation ("TMA"), are engaged in the construction and/or development of a research and development facility (the "Project"), which is to be located in the Charter Township of York, County of Washtenaw, State of Michigan, as more particularly described on attached **Exhibit A** (the "Property").
- B. The WCBRA has been formed pursuant to Act 381, Public Acts of Michigan, 1996, as amended, MCL 125.2651 et. seq. ("Act 381"), to facilitate the redevelopment of previously developed sites, consistent with the community's commitment to sustainability and its vision for the future. The Project and Property lie within the Brownfield Redevelopment Area adopted by the WCBRA as part of its Brownfield Redevelopment Plan for Washtenaw County, and the Property was made a part of this Brownfield Redevelopment Plan by the Toyota Technical Center U.S.A., Inc., Brownfield Redevelopment Plan Project amendment of January 18, 2006, Resolution Number 06-0013.
- C. On March 3, 2006, the Michigan Department of Environmental Quality ("MDEQ") approved a Work Plan (as hereinafter defined) submitted by Toyota Technical Center, U.S.A., Inc., for the Project and Property that allows for capture of tax increment revenues, including taxes levied for school operating purposes, of up to \$4,890,000 for the reimbursement of the costs of approved Eligible Activities, as hereinafter defined, related to the Project and Property.
- D. The WCBRA has determined that it would be in furtherance of its purposes and goals to capture tax increment revenues for the reimbursement of costs of certain Eligible Activities (as hereinafter defined) related to the Project and Property, as authorized by Act 381 and consistent with the Brownfield Plan and the Work Plan (as hereinafter defined).
- E. Pursuant to the Brownfield Plan and the Work Plan (as hereinafter defined), the WCBRA will capture and retain the TIF Revenues (as hereinafter defined) that are remaining after the 50 percent annual abatement of the company's new real and new personal property taxes for 12 years and the 12 year abatement of the six-mill State Education Tax and that are authorized by law to be captured from the levies imposed by taxing jurisdictions upon taxable property for the eligible property consistent with Act 381 and the Work Plan (as hereinafter defined). Upon satisfaction of the conditions expressed in this Agreement, the WCBRA will use the TIF Revenues (as hereinafter defined) as provided by law and as described in this Agreement.

NOW THEREFORE, In consideration of the premises and the mutual covenants and obligations contained in this Agreement, TEMA and the WCBRA hereby enter into this Agreement and covenant and agree as follows:

ARTICLE 1.

Section 1.1 Definitions. The following capitalized terms used in this Agreement shall have the following meanings, except to the extent the context in which they are used requires otherwise:

- (a) "Work Plan" means the Work Plan for the Project and Property submitted by Toyota Technical Center U.S.A., Inc., and approved by the MDEQ on March 3, 2006, and attached as **Exhibit B**, as subsequently amended or supplemented.
- (b) "County" means Washtenaw County, Michigan.
- (c) "Eligible Activities" means the activities as defined by Sec. 2(m) of Act 381, MCL 125.2652(m), or approved by the MDEQ or MEGA as part of the approved Work Plan.
- (d) "Eligible Property" means the property as defined by Sec. 2(n) of Act 381, MCL 125.2652(m).
- (e) "Consultant" means the environmental consulting firm retained or hired to assist with the performance of Eligible Activities set forth in the Work Plan.
- (f) "Event of Default" means the failure of performance or breach by a party to carry out its obligations under this Agreement or, with respect to a party, if any representation or warranty of such party was materially not accurate when made, and such obligation has not been performed or such representation or warranty corrected within 30 days after written notice thereof has been given by the other party. It also means any filing of bankruptcy or bankruptcy reorganization by TEMA.
- (g) "Indemnified Persons" means Washtenaw County and the WCBRA and their members, officers, agents and employees.
- (h) "Maximum Cost of Eligible Activities" means the WCBRA's maximum obligation to pay for the Eligible Activities and not to exceed the amounts set forth in the approved Work Plan, as amended or supplemented.
- (i) "MEGA" means the Michigan Economic Growth Authority.
- (j) "Brownfield Plan" means the brownfield clean-up and redevelopment plan for the Project and Property submitted by Toyota Technical Center U.S.A., Inc., and adopted by the Washtenaw County Board of Commissioners on January 18, 2006, attached as **Exhibit C**, as subsequently amended or supplemented.
- (k) "TIF Revenues" means tax increment revenues, as defined by Sec. 2(ee) of Act 381, MCL 125.2652(ee), from all taxable real and personal property located on the Project and Property during the life of the Brownfield Plan.
- (l) "Owner" means TMA.

ARTICLE 2.

COVENANTS OF TEMA

Section 2.1 Completion of Eligible Activities. TEMA shall proceed with the Eligible Activities and the obligations under this Agreement in its discretion. It shall proceed with due care and diligence and commence and complete the Eligible Activities in accordance with this Agreement, and in accordance with any applicable law, regulation, code and ordinance.

Section 2.2 Covenant to Pay Financial Obligations. To the extent TIF Revenues are available, the WCBRA shall reimburse TEMA for funds expended for Eligible Activities in accordance with the terms of this Agreement, the Brownfield Plan and the Work Plan.

It is anticipated that there will be sufficient TIF Revenues available to meet the WCBRA's obligations under this Agreement. However, if for any reason the Project does not result in sufficient TIF Revenues to satisfy such obligations, TEMA agrees and understands that it will have no claim or further recourse of any kind or nature against the WCBRA except from available TIF Revenues, and if for any reason the TIF Revenues are insufficient or there are none, then TEMA assumes full responsibility for any such loss or cost.

Section 2.3 Payment for Administrative Fees. The WCBRA will collect a payment for administrative fees not to exceed five percent (5%) of the TIF Revenues. TEMA acknowledges that a payment of \$225,000, divided over the term of this Agreement, will be made to the WCBRA in order to cover administrative costs and fees, as defined in section 7(h) of Act 381, that are part of the approval of the Work Plan and any Eligible Activities. The payment is a reimbursable administrative cost subject to tax increment financing under section 13(3) and section 13(16) of Act 381, the approved Work Plan and the satisfaction and performance of the terms of this Agreement. TEMA acknowledges that payment of the administrative fees will be made from TIF Revenues first, with the balance of available annual TIF Revenues being repaid to TEMA pursuant to this Agreement, the Brownfield Plan and the Work Plan.

Section 2.4 Indemnification of Indemnified Persons.

- (a) TEMA shall defend, indemnify and hold the Indemnified Persons harmless from any loss, expense (including reasonable counsel fees) or liability of any nature due to any and all suits, actions, legal or administrative proceedings, or claims arising or resulting from injuries to persons or property as a result of the ownership or operation, use or maintenance of the Property from and after the date hereof. If any suit, action or proceeding is brought against any Indemnified Person, the Indemnified Person promptly shall give notice to TEMA and TEMA shall defend such Indemnified Person with counsel selected by TEMA, which counsel shall be reasonably satisfactory to the Indemnified Person. In any such proceeding, the Indemnified Person shall cooperate with TEMA and TEMA shall have the right to settle, compromise, pay or defend against any such claim on behalf of such Indemnified Person, except that TEMA may not settle or compromise any claim if the effect of doing so would be to subject the Indemnified Person to criminal penalties, unless such Indemnified Person gives its consent. TEMA shall not be liable for payment or settlement of any such claim or proceeding made without its consent.
- (b) TEMA also shall indemnify the Indemnified Persons for all reasonable costs and expenses, including reasonable counsel fees, incurred in successfully enforcing or pursuing any obligation of or claim against TEMA under this Agreement. To the extent that the enforcement of such obligation or claim involves a claim against a Consultant who performs work or services under the terms or within the scope of this Agreement, the Consultant's agreement with TEMA shall be deemed to be a third party beneficiary contract in favor of the WCBRA or any Indemnified Persons.
- (c) These indemnity provisions shall survive the term of this Agreement.

Section 2.5 Site Access. TEMA shall grant to WCBRA and the MDEQ or MEGA, or their designated agents, access to the Property to exercise their respective duties related to the purposes and pursuant to the terms of this Agreement. The WCBRA shall give TEMA 24 hours written notice of its intent to access the Property whenever possible. If notice cannot be given due to an emergency or any other unforeseen circumstance, the WCBRA shall give notice as is reasonable and practicable under the circumstances. Right to Site Access will continue until all obligations under the Brownfield Plan, the Work Plan and this Agreement are completed and all invoices, final reports and documentation are submitted and approved.

ARTICLE 3.

CONDITIONS TO TEMA'S OBLIGATION

Section 3.1 Conditions to TEMA's Obligations to Complete Eligible Activities. The obligations of TEMA to complete Eligible Activities, as contemplated herein, are subject to the following conditions which must be satisfied by the WCBRA as required herein, except as expressly provided in this Agreement or otherwise waived by TEMA:

- (a) No action, suit, proceeding or investigation shall be pending before any court, public board or body, to which TEMA, the County or the WCBRA is a party, or threatened against the Owner, the County or the WCBRA, that contests the validity or binding effect of this Agreement or the validity of the Brownfield Plan or Work Plan, or that could result in an adverse decision which would have one or more of the following effects:
 - (1) A material adverse effect upon the ability of the WCBRA to collect and use TIF Revenues to satisfy its obligations under this Agreement.
 - (2) A material adverse effect on TEMA's or the WCBRA's ability to comply with the obligations and terms of this Agreement, the Brownfield Plan, or the Work Plan.
- (b) There shall have been no Event of Default by the WCBRA and no action or inaction by the WCBRA which, with the passage of time, could become an Event of Default.
- (c) The WCBRA shall have performed all of the terms and conditions to be performed by it pursuant to this Agreement.

ARTICLE 4.

COVENANTS OF THE WCBRA

Section 4.1 Adoption of Work Plan Amendments. If necessary, the WCBRA will submit amendments, prepared by TEMA and/or TEMA's Consultant, to the Work Plan in accordance with Act 381, which will provide for reimbursement to TEMA of expenses for Eligible Activities that have been conducted, completed and approved in accordance with the scope and terms of this Agreement and approved by the WCBRA pursuant to its policies and procedures. These policies and procedures include, but are not limited to, the WCBRA's standards for local TIF eligibility.

Section 4.2 Completion of Eligible Activities. Upon satisfactory completion of the Eligible Activities, the WCBRA shall reimburse TEMA subject to and in accordance with the terms set forth in this Agreement. TEMA shall have sole responsibility to pay the Consultant or other contractors or subcontractors for completion of such Eligible Activities and provide written waiver of any liens. If TEMA incurs any expenses or costs for any activities other than the Eligible Activities or the costs of the Eligible Activities as set forth in the Work Plan exceed the Maximum Cost of Eligible Activities, TEMA shall bear such costs without any obligation on the part of the WCBRA. If the costs of Eligible Activities set forth in the Work Plan are less than the Maximum Costs of Eligible Activities, TEMA shall have no further right of reimbursement beyond its actual costs for the Eligible Activities.

Section 4.3 WCBRA. The WCBRA will exercise oversight of TEMA and its Consultant, contractors, or subcontractors for purposes of assuring that the activities, invoices and accounting by TEMA are fair, reasonable, and constitute Eligible Activities within the meaning and scope of this Agreement, the Brownfield Plan, the Work Plan, and Act 381. TEMA shall provide to the WCBRA access to data, reports, sampling results, invoices, proof of payment, and related documents reasonably necessary to fulfill the exercise of such oversight. It is expressly understood that WCBRA has no right to control or to exercise any control over the actual services or performance of Eligible Activities by TEMA, its Consultant, or its contractors or subcontractors, except as to verification that TEMA has met the conditions and requirements of this Agreement.

ARTICLE 5.

CONDITIONS TO WCBRA'S OBLIGATIONS

Section 5.1 Conditions to WCBRA's obligation to reimburse TEMA for expenses for Eligible Activities. The obligations of the WCBRA to reimburse costs for Eligible Activities as contemplated herein shall be subject to the following conditions which must be satisfied by TEMA as required herein, except as expressly provided in this Agreement or otherwise waived in writing by the WCBRA. It is expressly agreed that the WCBRA makes or gives no assurance of payment to TEMA by the mere fact that an Eligible Activity or a dollar amount for such activity is identified in the Work Plan, and that the WCBRA shall have the right to review and approve all written summaries of and invoices for Eligible Activities for the reasonableness of the costs of the services performed. However, so long as an Eligible Activity has been completed and approved in accordance with the following procedure and this Agreement, TEMA shall be entitled to reimbursement of its Eligible Activities expenses.

Section 5.2 It is expressly understood and agreed that the obligations of the WCBRA to reimburse TEMA for costs for Eligible Activities is subject to the following conditions:

- (a) Approval, where necessary, by the MDEQ and/or MEGA and WCBRA of (1) the Work Plan, as amended or supplemented, or (2) of the Eligible Activity as qualifying for school tax capture; however, to the extent an Eligible Activity falls outside subparagraph 5.2 (a)(1) or (a)(2), then the Eligible Activity must be identified in the Work Plan, as amended or supplemented, and approved by the WCBRA for local tax recapture to the extent authorized by Act 381 and this Agreement.
- (b) TEMA shall provide the WCBRA with a list of any potentially responsible party (PRP) for the contamination on the property, and shall have performed all of the covenants, obligations, terms and conditions to be performed by it pursuant to this Agreement.
- (c) TEMA shall pay all real estate tax obligations when due.
- (d) TEMA shall provide sworn statements from the general contractor, and waivers of liens from the general contractor and the subcontractors employed by the general contractor who provide services as described in this Agreement.
- (e) TEMA shall submit invoices of expenses and a written statement demonstrating a factual basis that Eligible Activities have been completed to the WCBRA for preliminary review and approval. Within 14 days of receipt of an invoice, the WCBRA shall review and approve or reject the invoice, and, if approved, arrange for payment. In the event of a rejection of all or part of an invoice, the WCBRA shall notify TEMA in writing of its reasons for rejection within the 14-day time period for review. TEMA shall meet with the WCBRA and resolve or cure the rejection. If the rejection is not resolved or cured within 28 days after TEMA's receipt of the written rejection, there is no obligation to pay the portion of the invoice rejected until the parties have mutually agreed to payment in writing through an alternative dispute mediation process or there is a final judgment or order of a court of competent jurisdiction directing payment. All approved Eligible Activities will be reimbursed twice annually with reimbursement occurring no later than thirty days after receipt of the winter and summer taxes.
- (f) No action, suit or proceeding shall be pending before any court, public board or body to which TEMA, the County or the WCBRA is a party contesting the validity or binding effect of this Agreement or the validity of the Plan or which could result in an adverse decision which would have one or more of the following effects:
 - (1) A material adverse effect upon the ability of the WCBRA to collect and use tax increment revenues to repay its obligations under this Agreement.
 - (2) A material adverse effect on TEMA's or the WCBRA's ability to comply with the obligations and terms of this Agreement, the Plan, or the Work Plan.

- (g) There shall have been no Event of Default by TEMA and no action or inaction by TEMA which, with the passage of time, would likely become an Event of Default.
- (h) The Owner shows it is the owner of the Site or the Site is under land contract.
- (i) Proper approvals required under applicable federal and state laws or regulations, and local ordinances, codes or regulations for land uses and the development of the Project have been secured.
- (j) No change in law which would have one or more of the effects described above.
- (k) Consent, where necessary, of any affected utility for relocation, burial or the activity to accomplish the Eligible Activities.
- (l) The Owner or TEMA retains, or shall have retained, a Consultant, contractor, or subcontractor to advise, conduct, or complete the Eligible Activities as set forth in this Agreement.
- (m) Any TIF Revenues owed to a prior owner of the Property for Eligible Activities undertaken on the Property shall be paid to the prior owner of the Property pursuant to the policies and procedures of the WCBRA unless otherwise directed by written agreement between the prior owner and TEMA. Unless otherwise agreed, TEMA has no right to any TIF Revenues for any Eligible Activity undertaken on the Property by a prior owner.

Section 5.3 WCBRA'S Reimbursement to TMA. In the event TMA incurs or pays for costs of Eligible Activities on the Project and Property, TEMA may, in its discretion, direct the WCBRA to pay all or part of a scheduled reimbursement directly to TMA. In such event, The WCBRA shall pay the appropriate reimbursement amount to TMA.

ARTICLE 6.

TEMA'S CONSULTANT AND AGENT RESPONSIBILITIES

Section 6.1 Eligible Activities and Due Care Obligation. TEMA covenants that it has contracted with a competent and qualified Consultant or other competent and qualified contractors or subcontractors to conduct and complete the Eligible Activities set forth in this Agreement and as set forth in the Work Plan or Brownfield Plan, and to meet any due care obligation under Sec. 20107a, Natural Resources and Environmental Protection Act ("NREPA"), MCL 324.20107a and 324.20129a, in accordance with any MDEQ requirements and approval.

Section 6.2 Permits. TEMA or its consultant or contractors shall examine all permits and licenses pertaining to the Project or Property to determine whether all permits and licenses required to be issued by any governmental authority on account of any or all of the activities on the Site or the Development have been obtained or issued and are in full force and effect, and whether the Site or the Development and the activities there are in compliance with the terms and conditions of such permits and licenses.

Section 6.3 ASTM and Industry Standards. Where necessary, TEMA and its Consultant and contractors shall perform all services and Eligible Activities under this Agreement in accordance with any applicable ASTM or other industry standards.

Section 6.4 Other Services Performed for TEMA. It is expressly understood that WCBRA is not responsible for payment or reimbursement of any services for, or expenses incurred by, the Consultant and/or TEMA that are not within the scope of or in accordance with all of the terms, conditions and provisions of this Agreement. This Agreement shall not be deemed or construed to create any rights to reimbursement or otherwise in the Consultant or any third parties; specifically, this Agreement shall not be construed to create any third party beneficiary contract or claim.

Section 6.5 Regulatory Liaison and Data and Reports. If applicable, TEMA will make its Consultant available for communication services and to attend meetings with the MDEQ, MEGA and the WCBRA

that concern Eligible Activities performed on the Project. If requested by the WCBRA, TEMA will disclose to the WCBRA any data, reports and test results generated by the Consultant that concern the Eligible Activities performed on the Project. To the extent any of these documents are marked "confidential", such documents shall be kept confidential by the WCBRA except where prohibited by the Freedom of Information Act or other applicable law or regulation.

Section 6.6 Contractors and Subcontractors. TEMA acknowledges and confirms to WCBRA that Consultants and Contractors hired by TEMA are the agents of TEMA, and not the WCBRA and that such Consultants and Contractors shall not assume or create any duty, commitment or obligation on behalf of nor bind the WCBRA in any respect whatsoever.

Section 6.7 Non-Discrimination Clause. TEMA shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, sexual orientation height, weight, or marital status. A breach of this provision may be regarded as a material breach of this Agreement.

Section 6.8 Independent Contractor. TEMA acknowledges and confirms to WCBRA that the Consultants, Contractors and Subcontractors hired by TEMA shall not be deemed an agent, employee or legal representative of the WCBRA. Facts or knowledge of which the Consultants, Contractors and Subcontractors become aware shall not be imputed to WCBRA without communication to and receipt by managerial officials or employees of the WCBRA. TEMA's Consultants, Contractors and Subcontractors shall not create any commitment or obligation on behalf of the WCBRA in any respect whatsoever. Further, TEMA's Consultants, Contractors and Subcontractors shall exercise their independent judgment for the services provided in this Agreement.

Section 6.9 Disposal of Hazardous Waste. In the event that samples or other materials are classified as "hazardous waste" under state or federal law, TEMA shall, under a manifest signed by TEMA or its agent as the generator, have such samples transported for final disposal to a location selected by TEMA or its agent. It is expressly understood that the WCBRA has no oversight or other control or authority over TEMA's obligation to properly dispose of "hazardous waste" under the terms of this Section.

Section 6.10 Compliance With Laws. TEMA shall impose work orders on its employees, agents and subcontractors which are designed to assure that they comply with all applicable federal, state and local laws and regulations (including occupational safety and environmental protection statutes and regulations) in performing Eligible Activities, and shall comply with any directions of governmental agencies relating to site safety, security, traffic or other like matters.

ARTICLE 7.

REPRESENTATIONS AND WARRANTIES

Section 7.1 Representations and Warranties of WCBRA. WCBRA represents and warrants to TEMA that:

- (a) WCBRA is a public body corporate, established pursuant to Act 381, with all necessary corporate powers pursuant to Act 381 to enter into and perform this Agreement.
- (b) The execution and delivery of this Agreement has been duly authorized by all requisite action on the part of the WCBRA, and this Agreement constitutes a valid and binding agreement of the WCBRA enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or thereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

Section 7.2 Representations and Warranties of TEMA. TEMA represents and warrants to the WCBRA that:

- (a) TEMA is a Kentucky corporation with power under the laws of such state to carry on its business as now being conducted and has the power and authority to consummate the transactions contemplated under this agreement by TEMA and has authorized the signatures to represent TEMA under this Agreement.
- (b) The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite action on the part of TEMA, and this Agreement constitutes a valid and binding agreement of TEMA in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.
- (c) Except as part of the performance and completion of Eligible Activities under the terms of this Agreement, TEMA shall not use the Property for the storage, treatment or disposal of hazardous or toxic wastes of unaffiliated third parties and shall comply with all applicable federal, state and local laws, regulations, rules, ordinances, codes, decrees and orders in connection with any use of the Property, and shall obtain all necessary permits in connection therewith.
- (d) TEMA warrants that it will comply with all obligations, covenants and conditions required of it or its agents or contractors under the terms of this Agreement.
- (e) TEMA shall comply with all due care obligations under Sec. 7a of Part 201 of the NREPA.
- (f) TEMA has not made any misrepresentation of fact in the inducement or in the performance or administration of this Agreement.
- (g) TEMA shall provide a copy of the Closure Report received from the MDEQ to the WCBRA within three (3) business days of TEMA's receipt thereof.

ARTICLE 8.

TEMA'S FINANCIAL ASSURANCES

Section 8.1 Insurance. TEMA shall obtain and provide proof of the following current in-force insurance:

- (a) If applicable, Worker's Compensation and Occupational Disease Insurance in the amounts required under the laws of the State of Michigan;
- (b) Comprehensive General Liability, including Umbrella Liability Insurance for any such underlying liability, and Automobile Insurance for bodily injury, death or loss or damage to property of third persons in the minimum amount of \$5 million per occurrence;
- (c) Washtenaw County and WCBRA shall be added as an additional insured under all coverages listed except Worker's Compensation.

TEMA shall furnish to WCBRA a certified copy of such policies within 28 days of the date of this Agreement and the period of coverage shall commence with the date of performance of the first Eligible Activity. WCBRA will review the certified policies within 14 days of their receipt to determine if the insurance requirements have been satisfied. If the policies do not fully cover TEMA's liability, including indemnity obligations, under this Agreement, then the WCBRA reserves its right to increase the amount of other financial assurances under Article 8 of this Agreement. The limits of insurance shall not be construed as a limitation on TEMA's liability for damages, costs or expenses under this Agreement.

ARTICLE 9.

DEFAULT, REMEDIES, AND TERMINATION

Section 9.1 Remedies Upon Default. Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement by giving written notice to the defaulting party, and the defaulting party shall have 30 days to cure the default. If the default is not cured within this time period, then the non-defaulting party shall have the right to terminate this Agreement, or, at the election of such non-defaulting party, may obtain any form of relief permitted under this Agreement and any applicable laws and court rules of the State of Michigan, including the right to seek and obtain a decree of specific performance of a court of competent jurisdiction, provided, however, if the cure takes more than 30 days to complete, the breaching party shall be permitted to complete the cure beyond the provided 30 days if the breaching party uses good faith efforts to prosecute the cure to completion. Any right or remedy provided by a specific provision of this Agreement shall be deemed cumulative to, and not conditioned on, any other remedies upon default.

ARTICLE 10.

MISCELLANEOUS

Section 10.1 Term. The term of this Agreement shall commence on the date first written above and shall expire upon payment in full of WCBRA's obligations under Section 2.2.

Section 10.2 Sale, Conveyance or Transfer of the Property. Up until TEMA has satisfactorily completed its Eligible Activities and performed its obligations under the terms of this Agreement, TMA shall not sell, convey, or transfer ownership of any portion of the Property to another to carry out the purposes and goals of the Work Plan as described in this Agreement without amendment to the Work Plan. This does not prohibit TMA from selling, conveying or transferring any portion of property or units within structures to third parties for the uses as contemplated by the Project. This section shall not apply to: (a) assignments between governmental entities (b) assignments for financing required for the development of the Project; (c) the establishment of another entity which shall operate the premises for the infrastructure purposes and (d) conveyances of land for expansion or enhancements of roads, water and sewer.

TEMA waives the right to reimbursement for outstanding pay-as-you-go obligations, or any other reimbursement obligation of the WCBRA to be paid through TIF Revenues captured from the portion of the Property that is sold, conveyed, or transferred unless TEMA complies with the following:

- (a) TEMA provides the prospective transferee with written notice of the Work Plan, the nature and extent of Eligible Activities performed by TEMA pursuant to the Work Plan, and the extent of any outstanding obligation on the part of the WCBRA for reimbursement to TEMA for pay-as-you-go expenses from taxes to be captured from the Property.
- (b) TEMA and the transferee enter into an allocation agreement covering how the TIF Revenues collected on the Property shall be distributed between TEMA and the prospective transferee for any outstanding obligations or future obligations for Eligible Activities on the Property.
- (c) TEMA provides the WCBRA with copies of the written notice and the allocation agreement between TEMA and the prospective transferee of the Property prior to transfer of the Property.

Section 10.3 Assignment. Neither this Agreement nor any of the rights or obligations contained within it may be assigned or otherwise transferred by TEMA, nor shall the benefits of this Agreement inure to the benefit of any trustee in bankruptcy, receiver or creditor of TEMA, whether by operation of law or otherwise, without the prior written consent of the WCBRA, which will not be unreasonably withheld. Any attempt to assign or transfer this Agreement or any of its rights without such written consent shall be null and void and of no force or effect, and a breach of this Agreement.

Section 10.4 Notices. All notices, certificates or communications required by this Agreement to be given shall be in writing and shall be sufficiently given and shall be deemed delivered when personally served, or when received if mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the respective parties as follows:

If to WCBRA:

Jessica Eisenman, Senior Brownfield Planner, Department of Planning and Environment,
Washtenaw County
Staff Support to Authority pursuant to MCL 125.2657
Washtenaw County Brownfield Redevelopment Authority
705 North Zeeb Road, P.O. Box 8645
Ann Arbor, Michigan 48107-8645

If to TEMA:

Toyota Motor Engineering & Manufacturing North America, Inc.
Attn: Bill Jilbert
4410 Goss Rd.
Ann Arbor, MI 48105

With a copy to:

Kurt R. Vilders, Esq.
Kerr, Russell and Weber, PLC
500 Woodward Ave., Ste. 2500
Detroit, MI 48226

or to such other address as such party may specify by appropriate notice.

Section 10.5 Amendment and Waiver. No amendment or modification to or of this Agreement shall be binding upon any party hereto until such amendment or modification is reduced to writing and executed by all parties hereto. No waiver of any term of this Agreement shall be binding upon any party until such waiver is reduced to writing, executed by the party to be charged with such waiver, and delivered to the other parties hereto.

Section 10.6 Entire Agreement. This Agreement contains all agreements between the parties. There are no other representations, warranties, promises, agreements or understandings, oral, written or implied, among the parties, except to the extent reference is made thereto in this Agreement.

Section 10.7 Execution in Counterparts. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument.

Section 10.8 Captions. The captions and headings in this Agreement are for convenience only and in no way limit, define or describe the scope or intent of any provision of this Agreement.

Section 10.9 Applicable Law. This Agreement shall be governed in all respects, whether as to validity, construction, performance and otherwise, by the laws of the State of Michigan.

Section 10.10 Mutual Cooperation. Each party to this Agreement shall take all actions required of it by the terms of this Agreement as expeditiously as possible and shall cooperate to the fullest extent possible with the other parties to this Agreement and with any individual, entity or governmental agency involved in or with jurisdiction regarding the purposes of this Agreement. Each party to this Agreement shall execute and deliver all documents necessary to accomplish the purposes and intent of this Agreement, including, but not limited to, such documents or agreements as may be required by TEMA's lenders with respect to the Project to secure TEMA's financing from such lenders.

Section 10.11 Binding Effect. This Agreement shall be binding upon the parties hereto, and, in the event of assignment under Sec. 10.3, upon their respective successors, transferees, and assigns. TEMA shall provide written notice prior to transfer or assignment of TEMA's interest to any successor, transferee or assign of the existence of this Agreement.

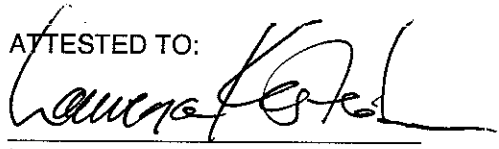
Section 10.12 No Waiver. No waiver by either party of any default by the other party in the performance of any portion of this Agreement shall operate or be construed as a waiver of any future default, whether like or different in character.

Section 10.13 Survival of Covenants. Except for the financial obligations, the covenants and provisions shall survive the term of this Agreement.

Section 10.14 No Third Party Beneficiaries. This Agreement shall not be deemed or construed to create any rights to reimbursement or otherwise in the Consultant or any third parties. This Agreement shall not be construed to create any third party beneficiary contract or claim, and the parties intend there to be no third party beneficiaries.

Section 10.15 Court Venue. The Washtenaw County Circuit Court will be the forum for any disputes under this Agreement.

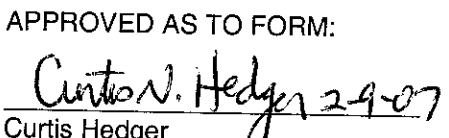
IN WITNESS WHEREOF, the WCBRA and TEMA have caused this Agreement to be duly executed and delivered as of the date first written above.

ATTESTED TO:

Lawrence Kestenbaum
County Clerk/Register


Toyota Motor Engineering and Manufacturing North America, Inc.

By: 

Its: General Manager ACF

APPROVED AS TO FORM:

Curtis Hedger
Corporation Counsel

Washtenaw County Brownfield Redevelopment Authority

By: 
Rhonda McGill

Its: Chair

Exhibit A

Legal Description

PARCEL I:

A parcel of land in section 2, Town 4 South, Range 6 East, York Township, Washtenaw County, Michigan, more particularly described as: Beginning at the Southwest corner of said Section 2; thence North 01 degrees 35 minutes 12 seconds West 2661.84 feet on the West line of said Section to the West 1/4 corner of said Section; thence North 01 degrees 34 minutes 54 seconds West 1437.48 feet on said West line; thence North 88 degrees 33 minutes 41 seconds East 3429.32 feet to the Westerly right-of-way of highway US-23; thence along said Westerly right-of-way for the following five (5) courses:

- 1.) South 01 degrees 30 minutes 25 seconds East 2672.99 feet;
- 2.) South 01 degrees 44 minutes 55 seconds West 259.12 feet;
- 3.) 441.21 feet on a curve to the right with a radius of 1070.90 feet, a central angle of 23 degrees 39 minutes 20 seconds and a long chord bearing and distance of South 13 degrees 33 minutes 06 seconds West 438.10 feet;
- 4.) South 25 degrees 21 minutes 15 seconds West 727.85 feet;
- 5.) South 50 degrees 12 minutes 59 seconds West 249.02 feet to the South line of said Section 2; thence South 89 degrees 18 minutes 55 seconds West 269.62 feet on said South line to the South 1/4 corner of said Section; thence South 89 degrees 51 minutes 03 seconds West 2501.84 feet on said South line to the Point of Beginning.

PARCEL II:

A parcel of land in the North 1/2 of Section 3, Town 4 South, Range 6 East, York Township, Washtenaw County, Michigan, more particularly described as: Beginning at the North 1/4 corner of said Section 3; thence North 88 degrees 35 minutes 42 seconds East 1415.26 feet on the North line of said Section 3; thence South 01 degrees 35 minutes 30 seconds East 1334.25 feet; thence North 87 degrees 58 minutes 00 seconds East 1415.07 feet to the East line of said Section 3; thence South 01 degrees 34 minutes 54 seconds East 1318.74 feet on said East line to the East 1/4 corner of said Section 3; thence South 87 degrees 20 minutes 19 seconds West 2830.77 feet on the East-West 1/4 line to the center of said Section 3; thence South 87 degrees 21 minutes 25 seconds West 695.52 feet on said East-West 1/4 line to the Easterly right-of-way of the Ann Arbor Railroad; thence North 08 degrees 11 minutes 01 seconds West 2733.73 feet on said railroad right-of-way to the North line of said Section 3; thence North 88 degrees 35 minutes 55 seconds East 1009.45 feet on said North line to the Point of Beginning.

PARCEL III:

The Southeast 1/4 of Section 3, Town 4 South, Range 6 East, York Township, Washtenaw County, Michigan, more particularly described as: Beginning at the Southeast corner of said Section 3; thence North 01 degrees 35 minutes 12 seconds West 2661.84 feet on the East line of said section to the East 1/4 corner of said Section 3; thence South 87 degrees 20 minutes 19 seconds West 2830.77 feet on the East-West 1/4 line of said Section to the center of said Section 3; thence South 01 degrees 36 minutes 26 seconds East 2645.06 feet on the North-South 1/4 line of said Section to the South 1/4 corner of said Section 3; thence North 87 degrees 40 minutes 40 seconds East 2829.54 feet on the South line of said Section 3 to the Point of Beginning

PARCEL IV:

A parcel of land in the Northwest 1/4 of Section 11, Town 4 South, Range 6 East, York Township, Washtenaw County, Michigan, more particularly described as: Commencing at the Northwest corner of said Section 11; thence North 89 degrees 51 minutes 03 seconds East 1506.08 feet on the North line of said Section 11 to the Point of Beginning of this description; thence North 89 degrees 51 minutes 03 seconds East 995.76 feet on said North line to the North 1/4 corner of said Section 11; thence South 01 degrees 45 minutes 05 seconds East 708.65 feet; thence South 89 degrees 51 minutes 03 seconds West 998.63 feet; thence North 01 degrees 31 minutes 11 seconds West 708.58 feet to the Point of Beginning.

PARCEL V:

The South Fractional 1/2 Of The Northeast Fractional 1/4 of the Northeast Fractional 1/4, Section 3, Town 4 South, Range 6 East, York Township, Washtenaw County, Michigan, Tax ID #S-19-03-100-005

Which above described property is described in its entirety below as a single parcel.

Overall Legal Description

A Parcel Of Land Located In Sections 2, 3 & 11, Town 4 South, Range 6 East, York Township, Washtenaw County, Michigan, More Particularly Described As:

Beginning At The South Quarter Corner Of Said Section 2, Also Being The Centerline Of Willis Road (66' Wide);

Thence South 02°13'47" East 708.65 Feet To A Found Iron;

Thence South 89°22'29" West 998.63 Feet To A Found Iron;

Thence North 01°59'45" West 708.58 Feet To The South Line Of Said Section 2, And The Centerline Of Willis Road;

Thence South 89°22'28" West 1506.08 Feet Along Said Centerline To The South Corner Common To Section 2 And 3;

Thence South 87°12'03" West 2829.40 Feet Along Said Centerline, And The South Line Of Said Section 3 To The South Quarter Corner Of Said Section 3;

Thence North 02°04'14" West 2645.99 Feet Along The North-South Quarter Line Of Said Section 3, Passing A Found Iron On The Northerly Right-Of-Way Line To The Center Of Section Of Said Section 3;

Thence South $86^{\circ}48'52''$ West 696.44 Feet Along The East-West Quarter Line Of Said Section 3 To The Easterly Right-Of-Way Line Of The Ann Arbor Railroad, And A Found Iron;

Thence Along Said Right-Of-Way Line North $08^{\circ}38'54''$ West 2733.63 Feet To The North Line Of Said Section 3, Also Being The Centerline Of Bemis Road (66' Wide);

Thence Along Said North Line, North $88^{\circ}07'21''$ East 1009.46 Feet To The North Quarter Corner Of Said Section 3;

Thence Continuing Along Said Centerline, North $88^{\circ}07'12''$ East 1415.09 Feet;

Thence South $02^{\circ}11'01''$ East 660.01 Feet;

Thence North $87^{\circ}07'11''$ East 1413.86 Feet To The Section Line Common To Said Sections 2 & 3, Also Being The Centerline Of Platt Road (66' Wide);

Thence Along Said Centerline, South $02^{\circ}03'26''$ East 539.84 Feet;

Thence North $88^{\circ}05'20''$ East 3429.17 Feet To The Westerly Right-Of-Way Line Of US-23 (197' Wide);

Thence Along Said Right-Of-Way Line, The Following Five (5) Courses:

1) South $01^{\circ}58'43''$ East 2672.99 Feet;

2) South $01^{\circ}16'27''$ West 259.12 Feet;

3.) Southwesterly On A Curve To The Right, Having A Radius Of 1070.90 Feet, An Arc Length Of 441.21 Feet, A Central Angle Of $23^{\circ}36'21''$, And A Chord Bearing South $13^{\circ}04'38''$ West 438.10 Feet;

4) South $24^{\circ}52'47''$ West 727.85 Feet;

5) South $49^{\circ}44'31''$ West 249.02 Feet To The Centerline Of Said Willis Road;

Thence Along Said Centerline South $88^{\circ}50'27''$ West 269.62 Feet To The Point Of Beginning. Containing 711.93 Acres More or Less