

SECOND AMENDED AND RESTATED INTERLOCAL AGREEMENT

BETWEEN

MICHIGAN STRATEGIC FUND

(A Public Body Corporate and Politic of the State of Michigan)

AND

**PARTICIPATING PUBLIC AGENCIES AS SIGNATORIES TO THIS
INTERLOCAL AGREEMENT**

CREATING THE

MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

A Michigan Public Body Corporate

Effective: April 5, 1999

First amended and effective December 18, 2003

Second amended and effective April 9, 2018

WHEREAS, successful economic development programs require long-term continuity, maximum flexibility, and intergovernmental cooperation to compete effectively in the marketplace;

WHEREAS, Executive Order 1999-1, as amended, issued pursuant to Michigan Constitution of 1963, Article 5, §2 and the laws of the State of Michigan consolidates State of Michigan economic development functions and programs and their accompanying powers;

WHEREAS, the Michigan Strategic Fund has the power, privilege and authority to perform various economic development activities;

WHEREAS, each Participant has the power, privilege and authority to perform various economic development activities;

WHEREAS, successful economic development programs throughout the State of Michigan can further be improved by enhanced cooperation between the Michigan Strategic Fund and other Public Agencies;

WHEREAS, Michigan Constitution of 1963, Article 7, §28 and the Urban Cooperation Act of 1967, Act No. 7 of the Public Acts of 1967, Ex. Sess., being MCL 124.501 et seq. of the Michigan Compiled Laws (the "Cooperation Act"), permit a Public Agency to exercise jointly with any other Public Agency any power, privilege or authority which such Public Agencies share in common and which each might exercise separately;

WHEREAS, the Parties desire to enter into an interlocal agreement, pursuant to the Cooperation Act, to jointly exercise economic development powers;

WHEREAS, as a result of entering into an interlocal agreement to jointly exercise economic development powers, the Parties are creating the Michigan Economic Development Corporation, as a separate legal entity and as a public body corporate (the "Corporation"), pursuant to the Cooperation Act;

WHEREAS, each Participant, pursuant to resolution of its governing body, has the authority to execute this Agreement;

WHEREAS, the Michigan Strategic Fund desires to contribute cash, loan receivables, grant receivables, personal property, certain other property and assets; detailed State classified service employees; and transfer commitments and liabilities to the Corporation; subject to appropriation and applicable law;

WHEREAS, the purpose of this Interlocal Agreement is to amend and restate the Interlocal Agreement effective April 5, 1999, as first amended and to reflect a second amendment restating the agreement, each of which was approved in accordance with Section 13.10; and

WHEREAS, the President of the Michigan Strategic Fund, pursuant to resolution of the board of directors of the Michigan Strategic Fund, has the authority to execute this Agreement.

NOW, THEREFORE, pursuant to the Cooperation Act, the Parties agree to the following terms and conditions:

ARTICLE I DEFINITIONS

The Parties agree that the following words and expressions, whenever initially capitalized, whether used in the singular or plural, possessive or non possessive and/or either within or without quotation marks shall be defined and interpreted as follows:

Section 1.01 Agreement. "Agreement" means this Interlocal Agreement dated on the Effective Date, as amended.

Section 1.02 Community Development Block Grants. "Community Development Block Grants" means grants of federal assistance provided for by Title 42, USC 5300, et. seq.

Section 1.03 Cooperation Act. "Cooperation Act" shall have the meaning as set forth in the recitals to this Agreement.

Section 1.04 Corporation. "Corporation" shall have the meaning as set forth in the recitals to this Agreement.

Section 1.05 Corporation Board. "Corporation Board" means the board of the Corporation created by this Agreement.

Section 1.06 Days. "Days" means calendar days.

Section 1.07 Economic Development Corporation. "Economic Development Corporation" means an Economic Development Corporation, formed pursuant to Act No. 338 of the Public Acts of 1974, as amended, being MCL 125.1601 et seq.

Section 1.08 Effective Date. "Effective Date" means April 5, 1999.

Section 1.09 Eligible Public Agency. "Eligible Public Agency" means an Economic Development Corporation.

Section 1.10 Executive Committee. "Executive Committee" means the executive committee of the Corporation.

Section 1.11 Executive Order 1999-1. “Executive Order 1999-1” means the Executive Order 1999-1 as amended by Executive Order 1999-2, issued pursuant to Michigan Constitution of 1963, Article 5 §2 and the laws of the State of Michigan which consolidates State of Michigan economic development functions and programs and their accompanying powers.

Section 1.12 Exhibit. “Exhibit” means the exhibits serially identified in this Agreement and attached hereto.

Section 1.13 Fiscal Year. “Fiscal Year” means the fiscal year of the Corporation, which ends on September 30 of each year.

Section 1.14 Freedom of Information Act. “Freedom of Information Act” means Act No. 442 of the Public Acts of 1976, as amended, being MCL 15.231 et seq.

Section 1.15 Fund. “Fund” means the Michigan Strategic Fund, a public body corporate and politic of the State, created under the Michigan Strategic Fund Act, Act No. 270 of the Public Acts of 1984, as amended, being MCL 125.2001 et seq.

Section 1.16 Fund Board. “Fund Board” means the board of directors of the Fund.

Section.1.17 Indian Gaming Compacts. “Indian Gaming Compacts” means any such compacts between the State and Indian tribes, from which the Fund receives payments on behalf of the State.

Section 1.18 Land Assembly Act. “Land Assembly Act” means the Michigan Urban Land Assembly Act, Act No. 171 of the Public Acts of 1981, as amended, being MCL 125.1851 et seq.

Section 1.19 Open Meetings Act. “Open Meetings Act” means Act No. 267 of the Public Acts of 1976, as amended, being MCL 15.261 et. seq.

Section 1.20 Participant. “Participant” means a Party, except for the Fund.

Section 1.21 Participation Agreement. “Participation Agreement” means an agreement as described in Article IX.

Section 1.22 Party. “Party” means a party to this Agreement.

Section 1.23 Person. “Person” means any individual person, profit or non-profit corporation, partnership, limited liability company, university, joint venture, trust, association, Chamber of Commerce, travel and visitors center, Public Agency, or other legal entity. Person shall include the Industrial Technology Institute/Michigan Manufacturing Technology Center.

Section 1.24 Project. "Project" means an economic development activity conducted by the corporation or any other person, including, without limitation, an endeavor related to industrial, commercial, or agricultural enterprise.

Section 1.25 Public Agency. "Public Agency" means that term as defined in section 2(e) of the Cooperation Act, MCL 124.502, as in effect at any given time.

Section 1.26 Request Form. "Request Form" means a request to become a Participant as described in Article X.

Section 1.27 State. "State" means the State of Michigan.

ARTICLE II ESTABLISHMENT OF MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

Section 2.01 Creation and Status. The Michigan Economic Development Corporation is hereby established as a separate legal entity for the purpose of exercising the powers, privileges, and authorities under this agreement and applicable law, including, but not limited to, executing the provisions of this agreement. The Corporation is a public body corporate.

Section 2.02 Name of Corporation. The name of the Corporation is "Michigan Economic Development Corporation."

Section 2.03 Principal Office. The principal office of the Corporation is 300 N. Washington Square, Lansing, Michigan 48913, or such other locations determined by the Corporation.

Section 2.04 Title to Corporation Assets. All property owned by the Corporation is owned by the Corporation as separate legal entity and public body corporate, and no Party has any ownership interest in Corporation property.

Section 2.05 Due Execution of this Agreement. Each Party shall duly execute two (2) counterparts of this Agreement, each of which (taken together) is an original but all of which constitutes one instrument.

Section 2.06 Tax Status. The Corporation has received a ruling from the Internal Revenue Service (IRS) that the Corporation's income is excludable from gross income under Section 115 of the Internal Revenue Code of 1986, as amended (the "Code"). The Corporation has also received a ruling from the IRS that contributions or gifts to or for the use of the Corporation are charitable contributions as defined in Section 170(c)(1) of the Code.

Section 2.07 Compliance with Law. The Corporation shall comply with all federal and state laws, rules, regulations, and orders applicable to this Agreement.

Section 2.08 Independent Contractor. The Parties agree that at all times and for all purposes under the terms of this Agreement each Party's relationship to each other shall be that of an independent contractor. Each Party will be solely responsible for the acts of its own employees, agents, and servants. No liability, right or benefit arising out of any employer/employee relationship either express or implied shall arise or accrue to any Party as a result of this Agreement.

Section 2.09 No Third Party Beneficiaries. Except as expressly provided herein, this Agreement does not, and is not intended to, create, by implication or otherwise, any direct or indirect obligation, duty, promise, benefit, right to be indemnified (i.e., contractually, legally, equitably, or by implication) and/or any right to be subrogated to any Party's rights in this Agreement, and/or any other right of any kind, in favor of any Person.

ARTICLE III PURPOSE

Section 3.01 Purpose. The purpose of the Corporation shall include the joint exercise of shared power, privilege or authority of the Parties to perform successful, effective and efficient economic development programs and functions throughout the State. Shared powers shall include the coordination of complementary applicable State and local economic development programs and functions of the Parties.

Section 3.02 Economic Development Programs and Functions. The economic development programs and functions of the Corporation in the exercise of this shared power shall be as follows:

- (a) Provide information and assistance to new and existing businesses to facilitate resolution of governmental disputes concerning issues such as zoning and land development;
- (b) Facilitate, coordinate, and advance Projects for encouraging new and existing businesses in locating, purchasing, constructing, reconstructing, modernizing, improving, maintaining, repairing, furnishing, equipping, and expanding in the State;
- (c) Provide information to new and existing businesses regarding taxes, insurance rates, environmental audits, safety audits, permits and worker recruitment and training;
- (d) Encourage and solicit private sector involvement, support, and funding for Projects;
- (e) Encourage the export of products and services to national and international markets;

- (f) Provide information to tourists and the travel industry and encourage tourism within the State;
- (g) Conduct studies and research, develop and maintain data and records in connection with a comprehensive economic strategy; and
- (h) Provide, upon request, centralized administration of local economic development programs.

ARTICLE IV SHARED POWERS

Section 4.01 Shared Powers of the Corporation. In carrying out the purpose as set forth in Article III, the Corporation is authorized to perform or to perform with any Person, as applicable, the following:

- (a) Sue and be sued, to have a seal and alter the same at pleasure;
- (b) Make, execute, and deliver contracts, conveyances, and other instruments that are necessary or convenient;
- (c) Make and amend bylaws;
- (d) Solicit and accept gifts, grants, loans and other aids from any Person or to participate in any other way in any federal, state or local government program;
- (e) Make secured or unsecured loans, participate in the making of secured or unsecured loans, undertake commitments to make secured or unsecured loans and mortgages, sell loans and mortgages at public or private sale, rewrite loans and mortgages, discharge loans and mortgages, foreclose on a mortgage, or commence an action to protect or enforce a right conferred upon it by a law, mortgage, loan, contract, or other agreement to make grants, loans, and investments;
- (f) Construct, reconstruct, improve, maintain, or repair a Project;
- (g) Acquire or contract to acquire from any Person leaseholds, property or any interest in property; to own, hold, clear, improve, and rehabilitate and to sell, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose of or encumber leaseholds, property or any interest in property;
- (h) Procure insurance against any loss in connection with the Corporation's

property, assets, or activities;

(i) Engage personnel as is necessary and engage the services of private consultants, managers, counsel, auditors, engineers, and scientists for rendering professional management and technical assistance and advice;

(j) Charge, impose, and collect fees and charges in connection with any transaction;

(k) Indemnify, as allowed by law, and procure insurance indemnifying any members of the Corporation Board, the Executive Committee, officers or employees from personal loss or accountability from liability asserted by any Person for any acts or omissions of the Corporation;

(l) Enter into leases, lease purchase agreements, installment sales contracts or loan agreements with any Person for the use or sale of a Project;

(m) Borrow money, mortgage or create security interests in the Project, a lease or loan, or the rents, revenues, or sums to be paid during the term of a lease or loan;

(n) Sell and convey a Project or any part of a Project for a price and at a time as the Corporation determines; and

(o) Exercise any and all other necessary and proper powers to effectuate the purposes and intent of the Agreement.

ARTICLE V
ADDITIONAL POWERS; LIMITATION ON POWERS; NO WAIVER OF
OF GOVERNMENTAL IMMUNITY

Section 5.01 Additional Powers. In addition to other powers, privileges, and authority of the Corporation, in carrying out its purposes, the Corporation may perform, or perform with any Person, as applicable, any power, privilege, or authority that the Parties share in common and that each might exercise separately to the fullest extent permitted by the Cooperation Act and other applicable law. The Corporation may not bind a Party, unless otherwise agreed to by the Party. The enumeration of a power in this agreement is not a limitation upon the powers of the Corporation. Among other things, the Corporation also may exercise any power, privilege, or authority that a separate legal entity may exercise under section 7(2) of the Cooperation Act, MCL 124.507(2).

Section 5.02 Limitation of Powers. The Corporation may not:

(a) Levy any type of tax within the boundaries of any Party; or

(b) Incur debt, liabilities or obligations which constitute debts, liabilities or obligations of any Party.

Section 5.03 No Waiver of Governmental Immunity. The Parties agree that no provision of the Agreement is intended, nor shall it be construed, as a waiver by any Party of any governmental immunity as provided by the Cooperation Act or otherwise under law.

ARTICLE VI DURATION OF, WITHDRAWAL FROM, AND TERMINATION OF INTERLOCAL AGREEMENT

Section 6.01 Duration. The Corporation commences on the Effective Date and continues for a term of ten (10) years (“Initial Term”). The term of this Agreement may be extended for a term of five (5) years (“First Renewal Term”) and may further be extended for an additional term of five (5) years (“Second Renewal Term”). After the initial five (5) years of the Second Renewal Term, the Second Renewal Term is hereby extended for an additional ten (10) years until April 4, 2029, and then is extended in subsequent five (5) year increments at the expiration of the initial ten (10) year extension and each subsequent five (5) year period.

Section 6.02 Withdrawal by the Fund. The Fund may withdraw as a Party to this Interlocal Agreement upon eighteen (18) months’ notice of its withdrawal to the Corporation. The Corporation may by the vote of at least three fourths (3/4) of the serving members of its Executive Committee waive the notice period under this section 6.02.

Section 6.03 Withdrawal by a Participant. A Participant may withdraw as a Party to this Interlocal Agreement upon six (6) months’ notice of its withdrawal to the Corporation if the withdrawal will not result in there being no Participants. The Corporation may by the vote of at least three-fourths (3/4) of the serving members of its Executive Committee waive the notice period under this section 6.03.

Section 6.04 Termination. This Agreement shall continue until terminated by the first to occur of the following:

- (a) Expiration of the Second Renewal Term;
- (b) Withdrawal of the Fund;
- (c) When there is less than one (1) Participant; or
- (d) Three-fourths (3/4) vote of the serving members of the Executive Committee.

Section 6.05 Disposition upon Termination. As soon as possible after termination of this Agreement, the Corporation shall wind up its affairs as follows:

(a) All of the Corporation's debts, liabilities, and obligations to its creditors and all expenses incurred in connection with the termination of the Corporation and distribution of its assets shall be paid first; and

(b) The remaining assets, if any, shall be distributed to the Fund, or any statutory successor. In the event that neither the Fund nor a statutory successor shall exist, the remaining assets shall be distributed to the State. No Participant shall receive any assets upon termination of this Agreement.

ARTICLE VII CORPORATION BOARD

Section 7.01 Corporation Board Composition. The governing body of each Participant shall appoint one (1) member of the Corporation Board. For each member of the Corporation Board appointed by the governing body of a Participant the Governor of the State shall appoint up to two (2) members of the Corporation Board representing the State.

Section 7.02 Corporation Board Authority. The Corporation Board shall evaluate the performance of the Corporation pursuant to standards established by the Executive Committee and may review acts of the Executive Committee, as deemed necessary.

Section 7.03 Meetings. The Corporation Board shall hold at least an annual meeting at the place, date, and time as the Corporation Board shall determine. Meetings shall comply with the Open Meetings Act.

Section 7.04 Quorum and Voting. A majority of the Corporation Board shall be required to constitute a quorum for the transaction of business and a majority vote at a meeting at which a quorum is present shall be necessary for the transaction of business. Presence in person for both quorum and voting shall include electronic communication by which such member of the Corporation Board may participate remotely to the extent permitted by law.

Section 7.05 Fiduciary Duty. The members of the Corporation Board are under a fiduciary duty to conduct the activities and affairs of the Corporation in the best interests of the Corporation, including the safekeeping and use of all Corporation monies and assets for the benefit of the Corporation. The members of the Corporation Board shall discharge this duty in good faith, with the care an ordinarily prudent individual in a like position would exercise under similar circumstances.

Section 7.06 Compensation. The members of the Corporation Board shall receive no compensation for the performance of their duties, but each member shall be reimbursed for his or her reasonable expenses in carrying out those duties. A member of the Corporation Board may engage in private or public employment, or in a profession or business.

ARTICLE VIII

EXECUTIVE COMMITTEE AND CHIEF EXECUTIVE OFFICER

Section 8.01 Executive Committee Composition. The Corporation shall have an Executive Committee of seventeen (17) members until January 2, 2003, at which time it shall have twenty (20) members. The members of the Executive Committee shall be appointed by the Governor of the State. The Executive Committee shall include four (4) representatives of Public Agencies, except for the Fund ("Local Representatives"), and thirteen (13) additional members until January 2, 2003, at which time it shall have sixteen (16) additional members, at least ten (10) of whom shall be from the private sector.

Section 8.02 Executive Committee Terms of Office. The terms of office of the Executive Committee shall be as follows:

(a) Four (4) members, one (1) of whom shall be a Local Representative, shall be appointed to a term of one (1) year;

(b) Four (4) members, one (1) of whom shall be a Local Representative, shall be appointed to term of three (3) years;

(c) Four (4) members, one (1) of whom shall be a Local Representative, shall be appointed to term of five (5) years;

(d) Five (5) members, one (1) of whom shall be a Local Representative, shall be appointed to a term of eight (8) years.

(e) Three (3) members who shall be appointed after January 1, 2003, one (1) of whom shall be appointed to a term of one (1) year, one (1) of whom shall be appointed to a term of three (3) years, and one (1) of whom shall be appointed to a term of (5) years.

Following the initial terms described above, subsequent appointments shall be for eight (8) year terms before May 1, 2019 and for four (4) year terms after April 30, 2019. Members of the Executive Committee shall serve until the earlier of expiration of their term or until their resignation or removal. Members of the Executive Committee may be removed by the Executive Committee if the member engages in tortious self-dealing or materially breaches his or her fiduciary duty to the Corporation.

Section 8.03 Vacancies. As vacancies occur on the Executive Committee, prior to expiration of the term of office, such vacancies shall be filled, for the balance of the unexpired term, by the Governor with the ratio of Local Representatives being maintained. All vacancies which occur by expiration of a term of office shall be filled by the Governor of the State, with the ratio of Local Representatives being maintained.

Section 8.04 Executive Committee Authority. The Executive Committee shall exercise the powers of the Corporation. The Executive Committee shall appoint the Chief Executive Officer of the Corporation who shall administer all programs, funds, personnel, contracts, and all other administrative functions of the Corporation, subject to oversight of the Executive Committee. The Chief Executive Officer's activities to further economic development in the State shall be complementary and not inconsistent with actions taken by the President of the Fund. The Chief Executive Officer shall receive such compensation as determined by the Executive Committee. The Executive Committee has the power to manage and direct on behalf of the public the functions or services performed under this Interlocal Agreement.

Section 8.05 Meetings. The Executive Committee shall hold meetings at the place, date, and time as the Executive Committee shall determine. Meetings shall comply with the Open Meetings Act.

Section 8.06 Quorum and Voting. A majority of the Executive Committee shall be required to constitute a quorum for the transaction of business and a majority vote at a meeting at which a quorum is present shall be necessary for the transaction of business. Presence in person for both quorum and voting shall include electronic communication by which such member of the Executive Committee may participate remotely to the extent permitted by law.

Section 8.07 Fiduciary Duty. The members of the Executive Committee, the Chief Executive Officer and other officers of the Corporation are under a fiduciary duty to conduct the activities and affairs of the Corporation in the best interests of the Corporation, including the safekeeping and use of all Corporation monies and assets for the benefit of the Corporation. The members of the Executive Committee, the Chief Executive Officer, and other officers of the Corporation shall discharge this duty in good faith, with the care an ordinarily prudent individual in a like position would exercise under similar circumstances.

Section 8.08 Compensation. The members of the Executive Committee shall receive no compensation for the performance of their duties, but each member shall be reimbursed for his or her reasonable expenses in carrying out those duties. A member of the Executive Committee may engage in private or public employment, or in a profession or business.

ARTICLE IX FUND AND PARTICIPANT CONTRIBUTION

Section 9.01 Assets. On May 1, 1999, the Fund shall transfer to the Corporation all assets of the Fund as shown on the attached balance sheet (See Exhibit A).

Section 9.02 Liabilities and Commitments. On May 1, 1999, the Fund shall transfer to the Corporation all liabilities and commitments of the Fund as shown on the attached balance sheet (See Exhibit A). Other than as set forth in this Section 9.02 and Section 9.05, the Corporation does not assume any other liabilities or commitments of the Fund.

Section 9.03 Changes in Balance Sheet Accounts. The transfers as set forth in Sections 9.01 and 9.02 shall be subject to changes which occur between the balance sheet date and May 1, 1999.

Section 9.04 Personal Property. On the Effective Date, the Fund shall transfer to the Corporation the personal property and interests therein. (See Exhibit B).

Section 9.05 State Appropriated Funds. Beginning on the Effective Date, the Fund shall transfer to the Corporation the estimated available balance of all State appropriated funds and related obligations for goods and services associated with the programs transferred to the Fund pursuant to Executive Order 1999-1, after deduction from the appropriations for all of the personnel and related operational costs of State classified service employees to the extent permitted by law. The remaining balance, if any, shall be transferred from the Fund to the Corporation after the State's fiscal year 1999 accounting records are closed. For fiscal year 2000, beginning October 1, 1999 and each ensuing fiscal year thereafter, the Fund shall transfer to the Corporation all available State appropriated funds after deduction from the appropriations for all of the personnel and related operational costs of State classified service employees to the extent permitted by law. The transfer shall not include Community Development Block Grants. The ability of the Fund to make transfers made under this provision is subject to annual appropriation by the Legislature and as provided by law.

Section 9.06 Land Assembly Act Loan Repayments. On May 1, 1999, the Fund shall transfer to the Corporation cash and cash equivalents and loan repayments which the Fund is entitled to under the Land Assembly Act, including investment income thereon (See Exhibit C). The transfer of loan repayments shall be made within fourteen (14) Days of the beginning of the month following receipt by the Fund.

Section 9.07 Start Up Advance to the Corporation. On the Effective Date, the Fund shall pay to the Corporation Five Hundred Thousand (\$500,000) Dollars.

Section 9.08 The Indian Gaming Compacts. Beginning May 1, 1999, the Fund shall transfer to the Corporation all cash paid to the Fund related to the Indian Gaming Compacts, including investment income thereon. The transfer shall be made within fourteen (14) Days of the beginning of the month following receipt by the Fund.

Section 9.09 Bond Fees. As of the Effective Date, the Fund shall continue to service bonds and notes issued by the Fund. The Fund shall retain annually the first Fifty Thousand (\$50,000) Dollars of such fees, including investment income thereon. Thereafter, the Fund shall transfer to the Corporation cash received for such fees. The transfer shall be made within fourteen (14) Days of the beginning of the month following receipt by the Fund.

Section 9.10 Other Revenue. As of May 1, 1999, the Fund shall transfer to the Corporation all new or other revenue that from time to time may be received by the Fund, including investment income thereon. The transfer shall be made within fourteen (14) Days of the beginning of the month following receipt by the Fund.

Section 9.11 Employees. On the Effective Date, the Fund shall detail State classified service employees to the Corporation to supplement the non-classified employees of the Corporation. These employees shall be detailed as state classified service employees of the Fund and shall continue in the State benefit system including wages, pension, seniority, sick leave, vacation, health and welfare, longevity and other benefits. A list of employee classifications detailed to the Corporation is attached. (See Exhibit D). The Corporation shall function as the employer of any personnel and staff of the Corporation and have the responsibility, authority, and right to manage and direct the personnel and staff of the Corporation.

Section 9.12 Acts and Omissions. Other than as set forth in Sections 9.02 and 9.05, it is the intent of the Fund and Participants that liability for acts or omissions of the Fund prior to the Effective Date shall remain with the Fund. The Corporation shall only be liable for its own acts or omissions which occur after the Effective Date and the Fund and the Participants shall not be liable for any acts or omissions of the Corporation.

Section 9.13 Execution of Documents. The Corporation, and the Fund shall cooperate in order to execute and deliver to the Corporation any and all documents including bills of sale, assignments, and certificates necessary or appropriate to effectuate the Fund's contribution to the Corporation.

Section 9.14 Transfers to the Fund. Upon request by the Fund, the Corporation shall return any unexpended or unencumbered funds, personnel, or property to the Fund to better further the purposes of economic development upon a three-fourths (3/4) vote of the Executive Committee or as required by law.

Section 9.15 Participation Agreement. The Corporation and a Participant may enter into a Participation Agreement for the purposes as set forth in Article III. The Participation Agreement may include for example joint activities related to marketing, training, land acquisition or development, business development, and the co-location and coordination of offices, personnel and functions of the Corporation and a Participant. Any contribution by a Participant of funds, personnel

or property must be set forth in a Participant Agreement. A Participant shall not be required to make any contributions of funds, personnel or property except as set forth in a Participation Agreement.

Section 9.16 Transfer of Fund Programs. On the Effective Date, the Fund hereby transfers to the Corporation all the authority, powers, duties, functions and responsibilities, including the functions of procurement, the day-to-day supervision of detailed personnel, and management-related functions of the programs listed at Executive Order 1999-1, Section III.A.6-19 and 22. As applicable, Executive Order 1999-1, Section III.B, C and D shall apply to all transfers in this Section 9.16 as of the Effective Date. Nothing in this Agreement shall be interpreted to transfer the power of the Fund as to any taxable or tax-exempt bond issuance authority.

ARTICLE X ADMISSION OF PARTICIPANTS

Section 10.01 Procedure. An Eligible Public Agency may become a Participant by submitting a Request Form to the Chief Executive Officer, in the form as set forth on the attached (See Exhibit E) and pursuant to guidelines established by the Executive Committee and shall be accompanied by the opinion of legal counsel as set forth in Section 10.04 and the certification as set forth in Section 10.05. The Chief Executive Officer may recommend approval of the Request Form to the Executive Committee. The Executive Committee shall approve or deny the Request Form. If the Executive Committee approves the application, the local governing body of the Eligible Public Agency shall adopt a resolution in the form as set forth on the attached (See Exhibit F).

Section 10.02 Effective Date. The effective date of admission of a Participant is the date on which this Agreement which contains the name and signatory of the Participant is filed with the Department of State, Office of the Great Seal and with the County in the State in which the Participant is located, as required by the Cooperation Act. A copy of the signature page of such additional Participant shall also be filed with each County in the State in which any Participant is located.

Section 10.03 Not an Amendment to Agreement. The admission of additional Participants, after the Effective Date, shall not constitute an amendment to or alternative form of this Agreement nor change the Effective Date. Any amendment to or alternative form of this Agreement may be made only in accordance with Section 13.10.

Section. 10.04 Opinion of Legal Counsel. The Request Form shall be accompanied by an opinion of legal counsel to the Eligible Public Agency substantially in the form as set forth on Exhibit G that the Eligible Public Agency is validly formed and has the powers set forth in Article IV.

Section 10.05 Certification. The Request Form shall include a certification substantially in the form as set forth on Exhibit H, that participation in this Agreement will not materially impact any existing relationship with regional or private economic development organizations.

ARTICLE XI BOOKS AND REPORTS

Section 11.01 Accrual Basis. The Corporation shall maintain its books of account on an accrual basis of accounting.

Section 11.02 Corporation Records. The Corporation shall keep and maintain at the principal office of the Corporation, all documents and records of the Corporation. The records of the Corporation shall include a copy of this Agreement along with a listing of the names and addresses of all Participants. Such records and documents shall be maintained until termination of this Agreement and shall be returned to the Fund, or any statutory successor or if neither, the State.

Section 11.03 Financial Statements and Reports. The Corporation shall comply with the applicable provisions of the Uniform Budgeting and Accounting Act, 1968 PA 2, as amended, MCL 141.421 to 141.141.440a (the "Budget Act"). The Corporation shall maintain financial records and produce financial statements in accordance with generally accepted accounting principles for state and local government. The Corporation is subject to a post audit of its financial transactions and accounts or a performance post audit by the Auditor General of the State to the extent authorized by law. As requested by the Fund, the Corporation shall assist the Fund in responding to a post audit of the fund's financial transactions and accounts or a performance post audit of the Fund by the Auditor General of the State.

Section 11.04 Freedom of Information Act. The Corporation shall comply with the Freedom of Information Act.

Section 11.05 Listing of Participants. A listing of Participants shall be attached to this Agreement and updated from time to time by the addition and withdrawal of Participants (See Exhibit I).

ARTICLE XII FINANCES

Section 12.01 Budget and Performance Standards. Each Fiscal Year, the Chief Executive Officer shall prepare a budget and performance standards for review by the Executive Committee.

Section 12.02 Deposits and Investments. The Corporation shall deposit and invest funds of the Corporation, not otherwise employed in carrying out the purposes of the Corporation, in

accordance with an Investment Policy established by the Executive Committee consistent with laws regarding investment of public funds.

Section 12.03 Disbursements. Disbursements of funds shall be in accordance with guidelines established by the Executive Committee.

ARTICLE XIII MISCELLANEOUS

Section 13.01 Notices. A notice or other communication under this Agreement may be delivered to a Party or the Corporation by first class mail or by email to an email address provided by the Party or Corporation, except that any notice of a withdrawal must be provided by certified mail or registered mail with return receipt requested, or by a national transportation company, other courier, or hand delivery with a signature of receipt of the notice required.

Section 13.02 Entire Agreement. This Agreement sets forth the entire agreement between the Parties and supersedes any and all prior agreements or understandings between them in any way related to the subject matter hereof. It is further understood and agreed that the terms and conditions herein are contractual and are not a mere recital and that there are no other agreements, understandings, contracts, or representations between the Parties in any way related to the subject matter hereof, except as expressly stated herein.

Section 13.03 No Presumption. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Agreement to be drafted.

Section 13.04 Severability of Provisions. If any provision of this Agreement, or its application to any Person or circumstance, is invalid or unenforceable, the remainder of this Agreement and the application of that provision to other Persons or circumstances is not affected but will be enforced to the extent permitted by law.

Section 13.05 Governing Law. This Agreement is made and entered into in the State of Michigan and shall in all respects be interpreted, enforced and governed under the laws of the State of Michigan without regard to the doctrines of conflict of laws. The language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning, and not construed strictly for or against any Party.

Section 13.06 Captions. The captions, headings, and titles in this Agreement are intended for the convenience of the reader and not intended to have any substantive meaning and not to be interpreted as part of this Agreement solely for convenience of reference and do not affect its interpretation.

Section 13.07 Terminology. All terms and words used in this Agreement, regardless of the number or gender in which they are used, are deemed to include any other number and any other gender as the context may require.

Section 13.08 Cross-References. References in this Agreement to any Article include all Sections, subsections, and paragraphs in the Article; references in this Agreement to any Section include all subsections and paragraphs in the Section.

Section 13.09 Jurisdiction and Venue. In the event of any disputes between the Parties over the meaning, interpretation or implementation of the terms, covenants or conditions of this Agreement, the matter under dispute, unless resolved between the parties, shall be submitted to the courts of the State of Michigan, with original jurisdiction and venue vested in the Ingham County Circuit Court or the Michigan Court of Claims, as appropriate.

Section 13.10 Amendment. This Agreement may be amended upon: (i) the vote of at least three-fourths (3/4) of the serving members of the Executive Committee, after at least 30 days' notice of the proposed amendment to each Participant, and approval by the Fund Board, provided that the amendment does not have an adverse effect on a Participant and is not inconsistent with the Cooperation Act; or (ii) the written agreement of all Parties. Each Participant hereby consents to the filing by the Corporation on behalf of the Participant of an amendment adopted under clause (i) of this section 13.10.

ADDENDUM A
EXECUTION OF THE SECOND AMENDED AND RESTATED INTERLOCAL AGREEMENT

Pursuant to paragraph 20 of the Second Amendment to Interlocal Agreement Creating the Michigan Economic Development Corporation Between the Michigan Strategic Fund and Participating Public Agencies (effective on April 9, 2018), I have compiled this Second Amended and Restated Interlocal Agreement Creating the Michigan Economic Development Corporation to reflect changes to the original Interlocal Agreement creating the Michigan Economic Development Corporation adopted by the parties to the Interlocal Agreement in the first and second amendments to the Interlocal Agreement. This document has been prepared for use by the Michigan Economic Development Corporation, the Michigan Strategic Fund, and the parties to the Interlocal Agreement, as amended. I certify that this Second Amended and Restated Interlocal Agreement reflects the form and content of the Interlocal Agreement as amended by the first and second amendments to the Interlocal Agreement, as effective on April 9, 2018.

Date: 4.18.18



Linda R. Ascianto
Senior Vice President and General Counsel

