

**Agreement for Subaward of Strategic Site Readiness Program
Strategic Outreach and Attraction
Michigan Strategic Fund (MSF)**

**Agreement # 29-2025
City of Ann Arbor**

This Sub-Grant Agreement ("Agreement") is made and entered into as of _____, by and between Ann Arbor SPARK, located at 330 E. Liberty, Ann Arbor, MI, hereinafter referred to as "Grantee" or "SPARK," and City of Ann Arbor, whose address is 301 E. Huron St. Ann Arbor, MI 48104, hereinafter referred to as "Sub-Grantee."

WHEREAS, Grantee, Ann Arbor SPARK, ("SPARK") has been awarded funds for economic development activities (the "Grant Funds") under the Strategic Site Readiness Program ("Grant Program") by the Michigan Economic Development Corporation ("MEDC") and the Michigan Strategic Fund ("MSF"), pursuant to the Strategic Site Readiness Program Grant Agreement ("MEDC Agreement") attached as **EXHIBIT 1**; and

WHEREAS, SPARK desires to use the Grant Funds to directly fund activities that are eligible under the MEDC Agreement on various sites within the Region covered by the Grant Funds, and the MEDC Agreement permits SPARK to have one or more subgrant agreements with other entities ("Sub-Grantee(s)") as necessary and expedient to implement the Eligible Activities within the permitted Region; and

WHEREAS, Sub-Grantee has proposed the means of accomplishing Eligible Activities at a budgeted cost of \$82,305 as set forth in writing (the "Project Proposal"), attached hereto and incorporated herein as **EXHIBIT 2**; and

WHEREAS, Grantee desires to provide a sub-grant to Sub-Grantee to support the Eligible Activities as outlined in the Project Proposal;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Identification of Parties.

- a. Grantee: Ann Arbor SPARK, located at 330 E. Liberty, Ann Arbor, MI
- b. Sub-Grantee: City of Ann Arbor, located at 301 E. Huron St. Ann Arbor, MI 48104

2. Amount of Grant Funds Award to Sub-Grantee and Disbursement Process.

Contingent upon the actual receipt of Grant Funds from MEDC, SPARK agrees to disburse to Sub-Grantee the amount of \$82,305 to be paid by SPARK to Sub-Grantee as reimbursement after completion by Sub-Grantee of Eligible Activities in

the Project Proposal. Sub-Grantee shall provide a disbursement request in the form of one or more invoices to SPARK, upon Sub-Grantee letterhead and enclosed with the following documentation to evidence actual expenditure by the Sub-Grantee:

- a. Single invoice demonstrating work completed in Exhibit 2.
3. **Definitions.** Except as otherwise defined in this Agreement, all capitalized terms in this Agreement shall have the respective meanings set forth herein or as defined in Exhibit A of **EXHIBIT 1**.
4. **Sub-Grantee Obligations.** In addition to all other Sub-Grantee obligations under this Agreement, Sub-Grantee shall abide by the following terms and conditions:
 - a. By executing this Agreement, Sub-Grantee affirms that it shall only utilize Grant Funds disbursed to Sub-Grantee under this Agreement for the purpose of funding Eligible Activities and Eligible Expenditures within the Region as defined by the Grant Program. The terms “Eligible Activities” and “Eligible Expenditures” are defined in Exhibit A of **EXHIBIT 1**.
 - b. Sub-Grantee shall only utilize Grant Funds disbursed to Sub-Grantee under this Agreement for the activities described in detail in the Project Proposal attached hereto as **EXHIBIT 2**.
 - c. Sub-Grantee shall only conduct Eligible Activities within the following location: City of Ann Arbor (Washtenaw County).
 - d. Sub-Grantee shall furnish Progress Reports as required and described under Exhibit C of **EXHIBIT 1** to SPARK concerning the utilization of the Grant Funds disbursed Sub-Grantee under this Agreement by no later than October 1 of each calendar year during the term of this Agreement.
 - e. Sub-Grantee shall furnish a Final Report as required and described under Exhibit D of **EXHIBIT 1** to SPARK concerning the utilization of the Grant Funds disbursed to Sub-Grantee under this Agreement within sixty (60) days of final completion of the Eligible Activities described in the Project Proposal.
 - f. Sub-Grantee shall cooperate with SPARK and the Grant Manager and provide information and documentation related to the utilization of the Grant Funds disbursed to Sub-Grantee under this Agreement, the status of Eligible Activities and the sites involved, including level of readiness, as requested and within the deadline provided by SPARK or the Grant Manager designated for SPARK by the MEDC (“Grant Manager”).

- g. Sub-Grantee acknowledges that Grant Funds may only be used, as near as possible, in accordance with the preliminary spending plan submitted by SPARK as part of the application process to the MEDC, and that the Project Proposal is consistent with the preliminary spending plan. A copy of the preliminary spending plan may be requested by the Sub-Grantee.
- h. Upon request by SPARK or the Grant Manager, Sub-Grantee shall collaborate with SPARK and the Grant Manager on site readiness efforts in the further development and implementation of SPARK's preliminary spending plan into a final spending plan to further site assessments and site readiness investment proposals consistent with the Grant Program, to the satisfaction of SPARK and the Grant Manager.
 - i. Sub-Grantee shall include the site(s) served by the Grant Funds in a state-wide site inventory which classifies and rates each site based on its level of readiness and will be used for, among other things, site selection requests received by the State. Sub-Grantee shall provide to SPARK or the Grant Manager all reports, studies, investigations, and any other site information obtained, whether funded by the Grant Funds or not, so as to allow such information to be added to the State site inventory database.
 - j. Sub-Grantee acknowledges that pursuant to Section 408(2) of PA 194 of 2022, any use of Grant funds for the acquisition of real property or interests in real property is subject to the prior written approval of the MSF Fund Manager or its designee. Any such approval may include terms and conditions in the sole and absolute discretion of the MSF Fund Manager for the granting of security or other rights in favor of the MSF, such as a mortgage, grant of rights, reverter rights, restrictions and covenants on resale or transfer, right of first offer, reconveyance to an end-user of the site or other MSF designated entity, reverter rights, equipment, intangibles, inventory or other such real or personal property interests. The aforementioned interests of the MSF are collectively referred to as the "MSF Site Interests". If applicable and in furtherance of such approval, Sub-Grantee shall provide the following to SPARK or the Grant Manager:
 - i. At least ninety (90) calendar days prior written notice of the desire to use Grant funds on any land then-owned by the Sub-Grantee, and/or to close on any acquisition of real property;
 - ii. At least thirty (30) calendar days prior written notice of the desire to use Grant funds for interests in real property other than to close on acquisition of real property (i.e., to secure an option to purchase); and

- iii. Detailed information describing the site, its legal description, and all available title insurance commitments.

Provided further Sub-Grantee shall cooperate with the MEDC, the Grant Manager and/or the MSF Fund Manager to facilitate the preparation and signing of all documents in furtherance of the MSF's Site Interests.

- k. Sub-Grantee shall retain and produce, and provide access to SPARK and to all Permitted Representatives (as defined in Exhibit A of **EXHIBIT 1**), upon request thereof, any records arising out of or related to this Agreement, including without limitation, records arising out of or related to, and supporting the Sub-Grantee's use of the Grant funds all as more particularly described in Section C.3 of Exhibit C of **EXHIBIT 1**.
- l. The Sub-Grantee shall comply with the representations, warranties, and obligations as required and set forth in Exhibit C of **EXHIBIT 1**.

5. Prohibited Use of Grant Funds.

- a. Sub-Grantee shall not use any Grant Funds for the development of a stadium or arena for use by a professional sports team or development of a casino or property associated or affiliated with the operation of a casino as prohibited by MCL 125.2088c(3)(a) and (b)), or to induce the Sub-Grantee, a qualified business, or small business to leave the State of Michigan, or to contribute to the violation of internationally recognized workers' rights, of workers in a country other than the US, or to fund an entity incorporated in a tax haven country, as prohibited by MCL 125.2088c(4)(c), (d), and (e)).
- b. Sub-Grantee shall not use any Grant Funds to commit to, or pay, any indemnification claim by any party, whether such claims are permitted or otherwise required to be paid as a part of any otherwise Eligible Activity, or under any contract or other agreement to which the Sub-Grantee is party or may otherwise be liable thereunder.
- c. Notwithstanding anything to the contrary, this Section 5 shall survive indefinitely.

6. Representations and Covenants of the Sub-Grantee. The Sub-Grantee represents and warrants to SPARK from the Effective Date through the termination of this Agreement:

- a. Organization. The Sub-Grantee is duly organized, validly existing and otherwise in good standing in the State and has the power and authority to enter into and perform its obligations under this Agreement.

- b. Sub-Grantee Authority. The execution, delivery and performance by the Sub-Grantee of this Agreement has been duly authorized and approved by all necessary and proper action on the part of the Sub-Grantee and will not violate any provision of law, or result in the breach, be a default of, or require any further consent under any of the Sub-Grantee's organizational and governing documents; or any agreement or instrument to which the Sub-Grantee is a party, or by which the Sub-Grantee or its property may be bound or affected. This Agreement is valid, binding, and enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws or principles of equity affecting the enforcement of creditors' rights generally or by general principles of equity.
- c. Consent. No consent or approval is necessary from any governmental or other entity, except SPARK, as a condition to the execution and delivery of this Agreement by the Sub-Grantee or the performance of any of its obligations under this Agreement.
- d. Full Disclosure. To the best of the Sub-Grantee's knowledge, neither this Agreement, the Project Proposal, nor any written statements or certificates furnished by the Sub-Grantee to SPARK in connection with the making of this Agreement contain any untrue statement of material fact, or omit any material fact necessary to make the statements true. There are no undisclosed facts, which materially adversely affect or, to the best of the Sub-Grantee's knowledge, are reasonably likely to materially adversely affect the business or properties of the Sub-Grantee or the ability of the Sub-Grantee to perform its obligations under this Agreement.
- e. Compliance with Laws or Contracts. To its knowledge, the Sub-Grantee is not and will not during the term of this Agreement be in material violation of any laws, ordinances, regulations, rules, orders, judgments, decrees or other requirements imposed by any governmental authority, or be in material violation under any contracts to which it is subject, and will not knowingly fail to obtain any licenses, permits or other governmental authorizations necessary to the conduct of business to support its obligations under this Agreement, which violation or failure to obtain are reasonably likely to materially impair the Sub-Grantee's ability to perform its obligations under this Agreement.
- f. Criminal or Civil Matters. The Sub-Grantee affirms that to the best of its knowledge that it or its affiliates, subsidiaries, officers, directors, managerial employees, and any person who, directly or indirectly, holds a pecuniary interest in the Sub-Grantee of Twenty Percent (20%) or more: (i) do not have any criminal convictions incident to the application for or performance of a

state contract or subcontract; and (ii) do not have any criminal convictions or have not been held liable in a civil proceeding, that negatively reflects on the person's business integrity, based on a finding of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or violation of state or federal antitrust statutes.

- g. Conflict of Interest. The Sub-Grantee affirms that there exists no actual or potential conflict of interest between the Sub-Grantee, the Sub-Grantee's Key Personnel or its Key Personnel's family, Sub-Grantee's business, or any financial interest and the performance by the Sub-Grantee under this Agreement. The Sub-Grantee further affirms that neither the Sub-Grantee, nor its owners, officers, directors, managers, members, or employees, have accepted, shall accept, have offered, or shall offer, directly or indirectly, anything of value to SPARK or any of its officers, agents or employees.
- h. Taxes. To the extent applicable, the Sub-Grantee is current, under an approved payment plan, or otherwise contesting in good faith, all federal, State of Michigan, local and real estate taxes. Unless contested in good faith and discharged by appropriate proceedings, or under an approved payment plan, the Sub-Grantee shall, through the term of this Agreement, promptly pay and discharge all such taxes, any assessments, and any governmental charges lawfully levied or imposed upon it (in each case, before they become delinquent and before penalties accrue).
- i. Change of Legal Status. The Sub-Grantee shall:
 - i. give SPARK written notice of any change in its name, its state organizational identification number, if it has one, its type of organization, its jurisdiction of organization, and
 - ii. not make any change in its legal structure that would, as a matter of law, affect its surviving obligations under this Agreement, without the prior written consent of SPARK, which consent shall not be unreasonably withheld.
- j. Security Interests. Sub-Grantee acknowledges that MCL 125.2088t(4)(d), provides that a written agreement under Grant Program must include: A provision that this state shall have a security interest as defined in Section 1201(2)(ii) of the Uniform Commercial Code, 1962 PA 174, MCL 440.1201, to the extent of the grant, loan, or other economic assistance provided under this program. This provision does not apply if it conflicts with any contractual obligation of the eligible applicant or any federal or state bankruptcy or insolvency laws. SPARK, as security for the obligations arising under this Agreement and for the performance and observance by SPARK of the

Agreement has established or will establish and maintain a deposit account (the “Deposit Account”) in SPARK’s name, for the benefit of the MEDC, as is required under the MEDC Agreement. The Deposit Account, and related collateral documents, and security granted and held as a result thereof remain in effect through the Term of the MEDC Agreement, unless earlier terminated as permitted by the respective agreements.

7. Default and Remedies. The occurrence of one or more of the following events or conditions is an “Event of Default,” unless a written waiver is provided by the SPARK:

- a. any representation made by the Sub-Grantee in support of this Agreement is incorrect at the time that such representation was made in any material respect, including without limitation, any information provided in the Application, a Disbursement Request, a Progress Report, the Final Report, or the representations and covenants set forth in this Agreement;
- b. any material failure by the Sub-Grantee to comply with any of the terms, covenants and conditions on its part to be performed under this Agreement, including a failure to submit any required reports hereunder when due; provided if curable, the Sub-Grantee shall have the opportunity to cure this Event of Default to the satisfaction of the SPARK within an applicable cure period designated by SPARK;
- c. the Sub-Grantee is in default, violation, breach, or non-compliance, or has not fully repaid any funds, of any kind or nature under any other agreement with, or requirement of the MEDC, SPARK, or any department or agency within the State; provided if curable, the Sub-Grantee shall have the opportunity to cure this Event of Default to the satisfaction of SPARK within a cure period designated by SPARK; and
- d. any voluntary bankruptcy or insolvency proceedings are commenced by, or against, the Sub-Grantee, with any such proceedings against the Sub-Grantee not being set aside within Sixty (60) calendar days from the date of institution thereof.

8. Remedies and Repayment. Upon the occurrence, and during the continuance, of an Event of Default under this Agreement, SPARK is entitled to exercise any and all remedies available to it, in law or in equity, including without limitation:

- a. SPARK may immediately and without prior notice suspend making any disbursement of Grant Funds to Sub-Grantee.

- b. SPARK or the MEDC may pursue any and all of its rights under collateral documents referenced in this Agreement.
- c. SPARK may, after expiration of any applicable cure period without a cure, terminate this Agreement.
- d. SPARK may, after expiration of any applicable cure period without a cure, require the Sub-Grantee to pay SPARK the amount equal to the Grant Funds then disbursed to Sub-Grantee plus the costs of collection thereof, including reasonable attorneys fees.
- e. No remedy described in this Agreement is intended to be the sole and exclusive remedy available to SPARK, and each remedy shall be cumulative and in addition to every other provision or remedy given herein or now or hereafter existing at law, in equity, by statute or otherwise. The Sub-Grantee shall also pay all costs and expenses, including, without limitation, reasonable attorney's fees and expenses incurred by SPARK in successfully collecting any sums due SPARK under this Agreement, in enforcing any of its rights under this Agreement, or in exercising any remedies available to SPARK.
- f. All payments by the Sub-Grantee shall be applied:
 - i. first to reimburse permitted costs and expenses; then
 - ii. to satisfy outstanding interest; then
 - iii. to satisfy any and all other outstanding amounts owed to SPARK.
- g. Notwithstanding anything to the contrary, SPARK reserves the right to require the Sub-Grantee to pay the highest amount resulting from one or more of the same circumstances which give rise to more than one Event of Default; provided however, except as to any interest, costs and expenses, including attorneys fees as provided by this Agreement, in no event shall the Sub-Grantee be required to repay SPARK any amount in excess of Grant Funds received by the Sub-Grantee.

9. Recovery of Grant Funds by Sub-Grantee, Remaining Grant Funds.

- a. In the event Sub-Grantee receives repayment for any reason, voluntarily or involuntarily, of any portion of any Grant Funds from or on behalf of any vendor, or any subcontractor, the amount received by Sub-Grantee, less any reasonable costs of collection incurred by the Sub-Grantee, shall be repaid

to SPARK within thirty (30) calendar days of receipt by the Sub-Grantee. This Section shall survive the termination of this Agreement.

- b. In the event that Sub-Grantee has possession or control of any remaining Grant Funds) upon the earlier of:
 - i. Sub-Grantee's submission of the Final Report or
 - ii. the end of the termination of this Agreement, Sub-Grantee shall immediately pay SPARK the balance of such funds.
- c. Interest. Funds owed to SPARK under this Agreement that have not already been paid must be paid within 90 days of notification by SPARK and are subject to interest at a rate of one percent (1%) per month, prorated on a daily basis, beginning on the ninety-first (91st) calendar day of nonpayment of any amounts owed to SPARK and continuing until all funds owed under this Agreement are paid in full to SPARK.
- d. Other Suspension. In the event SPARK becomes aware of a Default, SPARK may immediately and without prior notice suspend making disbursement of any Grant Funds until such time SPARK is satisfied otherwise. The Sub-Grantee shall cooperate upon the request of SPARK to provide additional information regarding the aforementioned event or circumstance.

10. Miscellaneous Provisions.

- a. Notice. Any notice or other communication under this Agreement shall be in writing and sent by e-mail, first-class mail, postage prepaid, or by courier to the respective Party at the address listed at the beginning of this Agreement or such other last known addresses or e-mail accounts, and shall be deemed delivered:
 - i. one business day after an e-mail or courier delivery, or
 - ii. two business days after mailing date.
- b. Entire Agreement. This Agreement, together with the Exhibits, and any collateral documents referenced herein, sets forth the entire agreement of the Parties with respect to the subject matter, and supersedes all prior agreements, understandings, and communications, whether written or oral, with respect to the subject matter of this Agreement.
- c. Counterparts; Electronic Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of

which together shall be deemed one and the same instrument. The Parties may execute this Agreement by electronic signatures, and agree that such electronic signatures shall be valid and binding to the same extent as original signatures.

- d. Severability. All the clauses of this Agreement are distinct and severable and, if any clause shall be deemed illegal, void, or unenforceable, it shall not affect the validity, legality, or enforceability of any other clause or provision of this Agreement. To the extent possible, the illegal, void, or unenforceable provision shall be revised to the extent required to render the Agreement enforceable and valid, and to the fullest extent possible, the rights and responsibilities of the Parties shall be interpreted and enforced to preserve the Agreement and the intent of the Parties. Provided, if application of this Section should materially and adversely alter or affect a Party's rights or obligations under this Agreement, the Parties agree to negotiate in good faith to develop a structure that is as nearly the same structure as the original Agreement (as may be amended from time to time) without regard to such invalidity, illegality, or unenforceability.
- e. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement.
- f. Governing Law. This Agreement is a contract made under the laws of the State of Michigan, and for all purposes shall be governed by, and construed in accordance with, the laws of the State of Michigan.
- g. Relationship between Parties. The Sub-Grantee and its officers, agents and employees shall not describe or represent themselves as agents of the State, SPARK, or the MEDC to any individual person, firm, or entity for any purpose.
- h. Successors and Assigns. SPARK may at any time assign its rights in this Agreement. The Sub-Grantee may not assign its rights or obligations under this Agreement without the prior written consent of the SPARK. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.
- i. Waiver. A failure or delay in exercising any right under this Agreement will not be presumed to operate as a waiver unless otherwise stated in this Agreement, and a single or partial exercise of any right will not be presumed to preclude any subsequent or further exercise of that right or the exercise of any other right.

- j. Termination of Agreement. Except as to the terms of this Agreement which shall survive indefinitely as provided in this Agreement, this Agreement shall terminate upon payment to Sub-Grantee of the last payment due to Sub-Grantee from SPARK pursuant to this Agreement, or until all amounts due to SPARK are paid in full, whichever is later. Provided however, any claims arising out of an Event of Default which event occurred during the term of this Agreement shall be brought within three (3) years after the end of the Term, and available remedies thereon, shall survive until all amounts due to SPARK are paid in full.
- k. Amendment. This Agreement may not be modified or amended except pursuant to a written instrument signed by the Sub-Grantee and SPARK.
- l. Force Majeure. If Sub-Grantee shall be prevented from performing its obligations under this Agreement by any act of God, strike, pandemic or regional health emergency (including COVID-19 or similar iteration), war or other reason of a like nature not attributable to the act of omission of the Sub-Grantee, then upon written request of the Sub-Grantee, SPARK may, in its reasonable discretion, extend the date for Sub-Grantee to perform its obligations under this Agreement, but in no event beyond the term of the MEDC Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

Ann Arbor SPARK

By: _____

Paul Krutko, President & CEO

City of Ann Arbor

By _____
Christopher Taylor, Mayor

By _____
Jacqueline Beaudry, City Clerk

This ____ day of _____, 20____

Approved as to substance

By _____
Milton Dohoney Jr., City Administrator

Approved as to form and content

Atleen Kaur, City Attorney

Exhibit 1
Strategic Site Readiness Program Grant Agreement

(see following pages)

STRATEGIC SITE READINESS PROGRAM
GRANT AGREEMENT

THIS GRANT AGREEMENT (this “Agreement”), effective as of November 30, 2023 (the “Effective Date”), is between the Michigan Strategic Fund (the “MSF”), whose address is 300 North Washington Square, Lansing, Michigan 48913, and Ann Arbor SPARK, a local economic development organization (the “Grantee”), whose address and principal office is 330 East Liberty Street, Ann Arbor, Michigan 48104. As used in this Agreement, the MSF and the Grantee are, individually, a “Party” and, collectively, the “Parties”.

RECITALS

A. The Michigan Strategic Fund Act (MCL 125.2001 et seq.), as amended, includes Section 88t (MCL 125.2088t), to enable the MSF to provide grants, loans, and other economic assistance for eligible applicants to conduct Eligible Activities for the purpose of creating investment-ready sites to attract and promote investment in this State for Eligible Activities on, or related to, strategic sites and mega-strategic sites.

B. Under the control and direction of the MSF Board, staff of the Michigan Economic Development Corporation, a public body corporate (the “MEDC”), provides administrative services for the MSF.

C. On January 11, 2022, the MSF Board established the Strategic Site Readiness Program (the “SSRP”) and associated guidelines, to govern the SSRP, which may be amended from time to time.

D. The SSRP is to be funded through the Strategic Outreach and Attraction Reserve created by PA 137 of 2021 (“SOAR”).

E. Under Section 408(2) of PA 194 of 2022, effective October 4, 2022, the State appropriated the aggregate amount of \$25 million to the SSRP to permit grants to provide technical assistance to regional and local economic development organizations to be used toward site readiness activities authorized thereunder.

F. On or about June 28, 2023, SOAR funds were approved to be transferred to the SSRP to fund the Grant.

G. The Grantee submitted to the MEDC an Application for incentive assistance under the SSRP dated August 29, 2023.

H. On September 26, 2023, the MSF approved a SSRP grant award to the Grantee in the amount of up to Two Million Five Hundred Thirty-Five Thousand One Hundred Forty-Seven and 00/100 Dollars (\$2,535,147.00) to be disbursed pursuant to the terms of this Agreement (the “Grant”).

I. The Grantee desires to use the Grant to directly fund Eligible Activities on various sites within the Region, and/or Grantee may have one or more subgrant agreements with other entities (“Sub-Grantee(s)”) as necessary and expedient to implement the Eligible Activities within the Region.

In consideration of the recitals and promises in this Agreement, the Parties agree:

ARTICLE I

DEFINITIONS

Section 1.1 Defined Terms. Except as otherwise defined in this Agreement, all capitalized terms in this Agreement shall have the respective meanings set forth on Exhibit A.

Section 1.2 Construction of Certain Terms. Unless the context of this Agreement otherwise requires: (i) words of any gender include all genders; and (ii) words using the singular or plural number also include the plural or singular number.

ARTICLE II

GRANT

Section 2.1 Grant Commitment. Subject to the terms and conditions of this Agreement, and in reliance upon the representations and warranties of the Grantee in this Agreement, the MSF agrees to make, and the Grantee agrees to accept, the Grant.

Section 2.2 Vendor Registration. Grant payments under this Agreement will be processed by electronic funds transfer ("EFT") to the Grantee. The Grantee shall register the Deposit Account to receive Grant payments by EFT at the State Integrated Governmental Management Applications ("SIGMA") Vendor Self Service ("VSS") website (www.michigan.gov/VSSLogin).

Section 2.3 Grant Manager.

The MSF Fund Manager shall designate a Grant Manager to administer this Agreement and monitor the performance of the Grantee and Grant Disbursements under this Agreement. The Grant Manager may be changed at the discretion of the MSF Fund Manager. The MSF Fund Manager shall give the Company notice of the designated Grant Manager and any change to the Grant Manager. The initial Grant Manager is Nicole Whitehead, Real Estate Operations Director, and the points of contact are Terri Fitzpatrick, MEDC Chief Real Estate and Global Attraction Officer, and Paul O'Connell, Vice President of Real Estate, both of whom also have authority as Grant Manager.

Section 2.4 Grant Disbursements. Subject to the terms and conditions of this Agreement, including the absence of a Default or Event of Default, after this Agreement is fully signed by the Parties and the Grantee has completed the vendor registration required herein, the Grant shall be disbursed to the Grantee as follows:

(a) An initial Grant Disbursement of fifty percent (50%) of the Grant, as soon as institutionally possible for the MSF; and

(b) A final Grant Disbursement of up to the remaining fifty percent (50%) of the Grant upon the Grant Manager's receipt and approval of a Disbursement Request, in the form attached

as Exhibit B, together with a spreadsheet and accompanying Supporting Documentation, from the Grantee, demonstrating:

- (i) that the Grantee has spent or otherwise committed at least twenty-five percent (25%) of the initial Grant Disbursement by way of Eligible Activities that were directly incurred and paid for by Grantee and/or Sub-Grants that were committed or paid to Sub-Grantees; and
- (ii) the identification of: (1) any actual or projected vendors, including real estate brokers, or Sub-Grantees, (2) the amount of any actual or projected contract or Sub-Grant, and (3) a minimum of one, but no more than five, strategic site locations within the Region, including at least one Priority Strategic Site, where Eligible Activities have been or are anticipated to be completed with the remaining Grant funds.

(c) Grant Manager Review. The Grant Manager determines Grantee's compliance with the Agreement. The Grant Manager shall, within thirty (30) business days of receipt of a Disbursement Request or Final Report, with accompanying Supporting Documentation, do one or more of the following:

- (i) to the extent it is related to determining compliance with this Agreement, review Grantee's records, request additional information, or request a site visit, or any combination thereof, all of which shall be determined in the sole discretion of the Grant Manager. The Grantee shall comply with the written request within thirty (30) calendar days, to the satisfaction of the Grant Manager, or the Grant Manager shall reject the Disbursement Request in the manner provided in Section 2.4(c)(ii); or
- (ii) reject the Disbursement Request or Final Report, which may be based on any one or more of the following: (A) the failure of the Grantee to demonstrate compliance with the requirements of its Disbursement Request or Final Report, (B) there is an outstanding Event of Default, or (C) the Grantee is otherwise not in compliance with this Agreement; or
- (iii) approve the Disbursement Request or Final Report provided there is no outstanding Event of Default, the Grantee is otherwise in compliance with this Agreement to the satisfaction of the Grant Manager.

If after receipt of a Disbursement Request or Final Report, the Grant Manager requests to review records, requests additional information, or otherwise conducts a site visit, the Grant Manager shall take the action set forth in Section 2.4(c)(ii) or Section 2.4(c)(iii) within an additional thirty (30) business days of the last to occur of: (A) the date the Grantee provides the requested records and requested additional information, and (B) the date the Grant Manager completes the site visit.

Section 2.5. Grantee Duties. In addition to all other Grantee obligations under this Agreement:

(a) Grantee shall directly use all Grant funds for Eligible Expenses arising from Eligible Activities under this Agreement and/or redistribute Grant funds to Sub-Grantees, only as permitted by this Agreement.

(b) To the extent Grantee redistributes Grant funds to Sub-Grantees, the Grantee shall enter into written grant agreements, or other written certifications, with the Sub-Grantees to effectuate redistribution of the applicable Grant funds received by Grantee (less the Contract Management Fee) to provide funding for the Sub-Grantee's Eligible Expenses within the Region (the aforementioned, individually, a "Sub-Grant" and collectively, the "Sub-Grants").

(c) Grantee shall administer the Sub-Grants to ensure efficient and responsible distribution of Grant funding to its selected Sub-Grantees and shall endeavor to distribute any applicable Sub-Grant funds as soon as institutionally possible for the Grantee.

(d) Each Sub-Grant shall include at least the following:

- (i) Identification of the Sub-Grantee;
- (ii) If known at the time of the making of the Sub-Grant, identification of the applicable site(s), including county, within the Region where the Sub-Grantee proposes to conduct the Eligible Activities;
- (iii) The amount of Grant funds to be used to fund the Sub-Grant;
- (iv) A detailed description of the proposed Eligible Activities;
- (v) Affirmation by the Sub-Grantee that the Sub-Grant funds may only be used by the Sub-Grantee for Eligible Expenses; and
- (vi) Those provisions set forth in Section 2.5(e) below.

(e) In addition to all other obligations under this Agreement, the Grantee agrees, and shall require each Sub-Grantee to agree, that, to the satisfaction of the Grant Manager:

- (i) Grant funds are to be used, as near as possible, in accordance with the preliminary spending plan submitted by the Grantee as part of the Application process;
- (ii) Each shall collaborate with the Grant Manager on site readiness efforts in the further development and implementation of the preliminary spending plan into a final spending plan to further site assessments and site readiness investment proposals consistent with the SSRP, to the satisfaction of the Grant Manager;
- (iii) Each shall agree to include the site(s) in a state-wide site inventory which classifies and rates each site based on its level of readiness and will be used for, among other things, site selection requests received by the State, with Grantee identifying at least one site that qualifies as a Priority Strategic Site for the Region;
- (iv) Pursuant to Section 408(2) of PA 194 of 2022, any use of Grant funds for the acquisition of real property or interests in real property is subject to the prior written approval of the MSF Fund Manager or its designee. Any such approval may include terms and conditions in the sole and absolute discretion of the MSF Fund Manager for the granting of security or other rights in favor of the MSF, such as a mortgage, grant of rights, reverter rights, restrictions and covenants on resale or transfer, right of first offer, reconveyance to an end-

user of the site or other MSF designated entity, reverter rights, equipment, intangibles, inventory or other such real or personal property interests. The aforementioned interests of the MSF are collectively referred to as the "MSF Site Interests". In furtherance of such approval, Grantee and any applicable Sub-Grantee shall provide the following to the Grant Manager:

1. At least ninety (90) calendar days prior written notice of the desire to use Grant funds on any land then-owned by the Grantee or any Sub-Grantee, and/or to close on any acquisition of real property;
2. At least thirty (30) calendar days prior written notice of the desire to use Grant funds for interests in real property other than to close on acquisition of real property (i.e., to secure an option to purchase); and
3. Detailed information describing the site, its legal description, and all available title insurance commitments.

Provided further, each of the Grantee and any applicable Sub-Grantee shall cooperate with the MEDC, the Grant Manager and/or the MSF Fund Manager to facilitate the preparation and signing of all documents in furtherance of the MSF's Site Interests;

- (v) Each shall cooperate with one another toward the Grantee providing, and the Grantee shall provide, to the Grant Manager:
 1. the reporting information for the Progress Report as required by the State Required Terms set forth in Exhibit C;
 2. the Final Report no later than twenty-four (24) months after the Effective Date hereof in the form and substance set forth on Exhibit D; and
 3. such other and additional information arising out of or related to this Agreement, such as the use of the Grant funds and the status of Eligible Activities and the sites involved, including level of readiness, as may be reasonably requested by the Grant Manager from time to time;
- (vi) Each shall provide to the Grant Manager all reports, studies, investigations, and any other site information obtained, whether funded by the Grant or not, so as to allow such information to be added to the State site inventory database.
- (vii) Each shall retain and produce, and provide access to all Permitted Representatives, upon request thereof, any records arising out of or related to any Sub-Grant, including without limitation, records arising out of or related to, and supporting the Sub-Grantee's use of the Sub-Grant funds it has received from the Grantee, all as more particularly described in Section C.3 of Exhibit C.

ARTICLE III

REPRESENTATIONS AND COVENANTS OF THE GRANTEE

The Grantee represents and warrants to the MSF from the Effective Date through the Term:

Section 3.1 Organization. The Grantee is duly organized, validly existing and otherwise in good standing in the State and has the power and authority to enter into and perform its obligations under this Agreement.

Section 3.2 Grantee Authority. The execution, delivery and performance by the Grantee of this Agreement has been duly authorized and approved by all necessary and proper action on the part of the Grantee and will not violate any provision of law, or result in the breach, be a default of, or require any further consent under any of the Grantee's organizational and governing documents; or any agreement or instrument to which the Grantee is a party, or by which the Grantee or its property may be bound or affected. This Agreement is valid, binding, and enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws or principles of equity affecting the enforcement of creditors' rights generally or by general principles of equity.

Section 3.3 Consent. No consent or approval is necessary from any governmental or other entity, except the MSF, as a condition to the execution and delivery of this Agreement by the Grantee or the performance of any of its obligations under this Agreement.

Section 3.4 Full Disclosure. To the best of the Grantee's knowledge, neither this Agreement, the Application, nor any written statements or certificates furnished by the Grantee to the MEDC or the MSF in connection with the making of the Grant and Agreement contain any untrue statement of material fact, or omit any material fact necessary to make the statements true. There are no undisclosed facts, which materially adversely affect or, to the best of the Grantee's knowledge, are reasonably likely to materially adversely affect the business or properties of the Grantee or the ability of the Grantee to perform its obligations under this Agreement.

Section 3.5 Compliance with Laws or Contracts. To its knowledge, the Grantee is not and will not during the Term be in material violation of any laws, ordinances, regulations, rules, orders, judgments, decrees or other requirements imposed by any governmental authority, or be in material violation under any contracts, including Sub-Grants, to which it is subject, and will not knowingly fail to obtain any licenses, permits or other governmental authorizations necessary to the conduct of business to support its obligations under this Agreement, which violation or failure to obtain are reasonably likely to materially impair the Grantee's ability to perform its obligations under this Agreement.

Section 3.6 Prohibited Use of Grant Disbursements

(a) The Grantee shall not use any Grant Disbursement for the development of a stadium or arena for use by a professional sports team or development of a casino or property associated or affiliated with the operation of a casino as prohibited by the Act (see MCL 125.2088c(3)(a) and (b)), or to induce the Grantee, a qualified business, or small business to leave the State of Michigan, or to contribute to the violation of internationally recognized workers'

rights, of workers in a country other than the US, or to fund an entity incorporated in a tax haven country, as prohibited by the Act (see MCL 125.2088c(4)(c), (d), and (e)).

(b) The Grantee shall not use any Grant Disbursement to commit to, or pay, any indemnification claim by any party, whether such claims are permitted or otherwise required to be paid as a part of any otherwise Eligible Activity, or under any contract or other agreement to which the Grantee is party or may otherwise be liable thereunder.

Notwithstanding anything to the contrary, this Section 3.6 shall survive indefinitely.

Section 3.7 Criminal or Civil Matters. The Grantee affirms that to the best of its knowledge that it or its affiliates, subsidiaries, officers, directors, managerial employees, and any person who, directly or indirectly, holds a pecuniary interest in the Grantee of Twenty Percent (20%) or more: (i) do not have any criminal convictions incident to the application for or performance of a state contract or subcontract; and (ii) do not have any criminal convictions or have not been held liable in a civil proceeding, that negatively reflects on the person's business integrity, based on a finding of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or violation of state or federal antitrust statutes.

Section 3.8 Conflict of Interest. The Grantee affirms that there exists no actual or potential conflict of interest between the Grantee, the Grantee's Key Personnel or its Key Personnel's family, Grantee's business, or any financial interest and the performance by the Grantee under this Agreement. The Grantee further affirms that neither the Grantee, nor its owners, officers, directors, managers, members, or employees, have accepted, shall accept, have offered, or shall offer, directly or indirectly, anything of value to influence the Indemnified Persons.

Section 3.9 State Required Terms. The Grantee shall comply with its representations, warranties, and obligations as required and set forth in Exhibit C.

Section 3.10 Taxes. To the extent applicable, the Grantee is current, under an approved payment plan, or otherwise contesting in good faith, all federal, State of Michigan, local and real estate taxes. Unless contested in good faith and discharged by appropriate proceedings, or under an approved payment plan, the Grantee shall, through the Term, promptly pay and discharge all such taxes, any assessments, and any governmental charges lawfully levied or imposed upon it (in each case, before they become delinquent and before penalties accrue).

Section 3.11 Change of Legal Status. The Grantee shall (a) give the MSF written notice of any change in its name, its state organizational identification number, if it has one, its type of organization, its jurisdiction of organization, and (b) not make any change in its legal structure that would, as a matter of law, affect its surviving obligations under this Agreement, without the prior written consent of the MSF, which consent shall not be unreasonably withheld.

Section 3.12 Security Interests The Act, specifically, MCL 125.2088t(4)(d), provides that a written agreement under SSRP must include: A provision that this state shall have a security interest as defined in Section 1201(2)(i) of the Uniform Commercial Code, 1962 PA 174, MCL 440.1201, to the extent of the grant, loan, or other economic assistance provided under this program. This provision does not apply if it conflicts with any contractual obligation of the eligible applicant or any federal or state bankruptcy or insolvency laws.

As security for the obligations arising under this Agreement and for the performance and observance by the Company of the Agreement, Grantee shall, on or prior to the Effective Date

hereof, establish and maintain with Highpoint Community Bank a deposit account (the "Deposit Account") in Grantee's name, for the benefit of the MSF, which account shall be subject to the Pledge Agreement and the DACA (collectively, the "Collateral Documents"). The Deposit Account may not contain monies or securities unrelated to the Grant funds. The Deposit Account, Collateral Documents, and security granted and held as a result thereof shall remain in effect through the Term of the Agreement, unless earlier terminated as permitted by the respective agreements.

ARTICLE IV

REPRESENTATIONS AND COVENANTS OF THE MSF

The MSF represents and warrants to the Grantee:

Section 4.1 Organization. The MSF is a public body corporate and politic within the Department of Labor and Economic Opportunity of the State of Michigan created under the Act. The MSF has the power and authority to enter into and perform its obligations under this Agreement.

Section 4.2 Consent. Except as disclosed in writing to the Grantee or as otherwise provided by law, no consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this Agreement by the MSF or the performance of any of its obligations under this Agreement. This Agreement is valid, binding, and enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws or principles of equity affecting the enforcement of creditors' rights generally or by general principles of equity.

ARTICLE V

DEFAULT AND REMEDY PROVISIONS

Section 5.1 Events of Default. The occurrence of one or more of the following events or conditions is an "Event of Default," unless a written waiver is provided by the MSF:

(a) any representation made by the Grantee in support of this Agreement is incorrect at the time that such representation was made in any material respect, including without limitation, any information provided in the Application, a Disbursement Request, a Progress Report, the Final Report, or the representations and covenants set forth in Article III;

(b) any material failure by the Grantee to comply with any of the terms, covenants and conditions on its part to be performed under this Agreement, including without limitation, any of the terms, covenants and conditions under Article II and Article III, and failure to submit any required reports hereunder when due; provided if curable, the Grantee shall have the opportunity to cure this Event of Default to the satisfaction of the MSF Fund Manager within the Cure Period;

(c) the Grantee is in default, violation, breach, or non-compliance, or has not fully repaid any funds, of any kind or nature under any other agreement with, or requirement of the MEDC, the MSF, or any department or agency within the State; provided if curable, the Grantee shall have the opportunity to cure this Event of Default to the satisfaction of the MSF Fund Manager within the Cure Period; and

(d) any voluntary bankruptcy or insolvency proceedings are commenced by, or against, the Grantee, with any such proceedings against the Grantee not being set aside within Sixty (60) calendar days from the date of institution thereof.

Section 5.2 Remedies and Repayment. Upon the occurrence, and during the continuance, of an Event of Default under this Agreement, the MSF is entitled to exercise any and all remedies available to it, in law or in equity, including without limitation:

(a) The MSF may immediately and without prior notice suspend making any Grant Disbursements.

(b) The MSF may pursue any and all of its rights under the Collateral Documents.

(c) The MSF may, after expiration of any applicable Cure Period without a cure, terminate this Agreement.

(d) The MSF may, after expiration of any applicable Cure Period without a cure, require the Grantee to pay the MSF the amount equal to the Grant funds then disbursed to Grantee.

(e) No remedy described in this Agreement is intended to be the sole and exclusive remedy available to the MSF, and each remedy shall be cumulative and in addition to every other provision or remedy given herein or now or hereafter existing at law, in equity, by statute or otherwise. The Grantee shall also pay all costs and expenses, including, without limitation, reasonable attorney's fees and expenses incurred by the MSF in successfully collecting any sums due the MSF under this Agreement, in enforcing any of its rights under this Agreement, or in exercising any remedies available to the MSF.

(f) All payments by the Grantee shall be applied: (i) first to reimburse permitted costs and expenses; then (ii) to satisfy outstanding interest; then (iii) to satisfy any and all other outstanding amounts owed to the MSF.

(g) Notwithstanding anything to the contrary, the MSF Fund Manager reserves the right to require the Grantee to pay the highest amount resulting from one or more of the same circumstances which give rise to more than one Event of Default; provided however, except as to any interest, costs and expenses as provided by this Agreement, in no event shall the Grantee be required to repay the MSF any amount in excess of Grant Disbursements received by the Grantee.

Section 5.3 Recovery of Grant Funds by Grantee, Remaining Grant Funds.

(a) In the event Grantee receives repayment for any reason, voluntarily or involuntarily, of any portion of any Grant funds from or on behalf of any vendor, or any Sub-Grantee, the amount received by Grantee, less any reasonable costs of collection incurred by the Grantee, shall be repaid to the MSF within thirty (30) calendar days of receipt by the Grantee. This Section shall survive the end of Term.

(b) In the event that Grantee has possession or control of any remaining Grant funds (other than any portion of the Contract Management Fee) upon the earlier of: (i) Grantee's submission of the Final Report or (ii) the end of the Term, Grantee shall immediately pay the MSF the balance of such funds.

Section 5.4 Interest. Funds owed to the MSF under this Agreement that have not already been paid must be paid within 90 days of notification by the MSF and are subject to interest at a rate of one percent (1%) per month, prorated on a daily basis, beginning on the ninety-first (91st) calendar day of nonpayment of any amounts owed to the MSF and continuing until all funds owed under this Agreement are paid in full to the MSF.

Section 5.5 Other Suspension. In the event the MSF becomes aware of a Default, the MSF may immediately and without prior notice suspend making any Grant Disbursements until such time the MSF is satisfied otherwise. The Grantee shall cooperate upon the request of the Grant Manager to provide additional information regarding the aforementioned event or circumstance.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Notice. Any notice or other communication under this Agreement shall be in writing and sent by e-mail, first-class mail, postage prepaid, or by courier to the respective Party at the address listed at the beginning of this Agreement or such other last known addresses or e-mail accounts, and shall be deemed delivered: (i) one business day after an e-mail or courier delivery, or (ii) two business days after mailing date.

Section 6.2 Entire Agreement. This Agreement, together with the Exhibits, and any Collateral Documents, sets forth the entire agreement of the Parties with respect to the subject matter, and supersedes all prior agreements, understandings, and communications, whether written or oral, with respect to the subject matter of this Agreement.

Section 6.3 Counterparts; Electronic Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall be deemed one and the same instrument. The Parties may execute this Agreement by electronic signatures, and agree that such electronic signatures shall be valid and binding to the same extent as original signatures.

Section 6.4 Severability. All the clauses of this Agreement are distinct and severable and, if any clause shall be deemed illegal, void, or unenforceable, it shall not affect the validity, legality, or enforceability of any other clause or provision of this Agreement. To the extent possible, the illegal, void, or unenforceable provision shall be revised to the extent required to render the Agreement enforceable and valid, and to the fullest extent possible, the rights and responsibilities of the Parties shall be interpreted and enforced to preserve the Agreement and the intent of the Parties. Provided, if application of this Section should materially and adversely alter or affect a Party's rights or obligations under this Agreement, the Parties agree to negotiate in good faith to develop a structure that is as nearly the same structure as the original Agreement (as may be amended from time to time) without regard to such invalidity, illegality, or unenforceability.

Section 6.5 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement.

Section 6.6 Governing Law. This Agreement is a contract made under the laws of the State, and for all purposes shall be governed by, and construed in accordance with, the laws of the State.

Section 6.7 Relationship between Parties. The Grantee and its officers, agents and employees shall not describe or represent themselves as agents of the State, the MSF, or the MEDC to any individual person, firm, or entity for any purpose.

Section 6.8. Successors and Assigns. The MSF may at any time assign its rights in this Agreement. The Grantee may not assign its rights or obligations under this Agreement without the prior written consent of the MSF. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

Section 6.9 Waiver. A failure or delay in exercising any right under this Agreement will not be presumed to operate as a waiver unless otherwise stated in this Agreement, and a single or partial exercise of any right will not be presumed to preclude any subsequent or further exercise of that right or the exercise of any other right.

Section 6.10 Termination of Agreement. Except as to this Article VI and the terms of Exhibit A which shall survive indefinitely, and except as to other terms and conditions which shall survive as provided in this Agreement, this Agreement shall terminate at the end of the Term. Provided however, any claims arising out of an Event of Default which event occurred during the Term, shall be brought within three (3) years after the end of the Term, and available remedies thereon, and the provisions of Section 3.12 and Article V shall survive until all amounts due the MSF are paid in full.

Section 6.11 Amendment. This Agreement may not be modified or amended except pursuant to a written instrument signed by the Grantee and the MSF Fund Manager.

Section 6.12 Force Majeure. If Grantee shall be prevented from performing its obligations under this Agreement by any act of God, strike, pandemic or regional health emergency (including COVID-19 or similar iteration), war or other reason of a like nature not attributable to the act of omission of the Grantee, then upon written request of the Grantee, the MSF may, in its reasonable discretion, extend the date for the Company to perform its obligations under this Agreement.

[Signatures on following page.]

The Parties have executed this Agreement effective on the Effective Date. The signatories below warrant that they are empowered to enter into this Agreement.

ANN ARBOR SPARK

By: Paul Krutko
Its: President and CEO

MICHIGAN STRATEGIC FUND

By: Valerie Hoag
Its: Fund Manager

EXHIBIT A

DEFINED TERMS

- (a) **“Act”** means the Michigan Strategic Fund Act, MCL 125.2001 et seq., including, in particular, MCL 125.2088t which authorized the creation of the SSRP.
- (b) **“Agreement”** means this Agreement, including the Exhibits to this Agreement.
- (c) **“Application”** means the Application for incentive assistance, dated August 29, 2023, submitted by the Grantee to the MEDC.
- (d) **“Auditor General”** means the auditor general of the State.
- (e) **“Collateral Documents”** has the meaning set forth in Section 3.12, and to the extent applicable, shall also include any MSF Site Interests.
- (f) **“Confidential Information”** has the meaning set forth in Section C.2 of Exhibit C.
- (g) **“Contract Management Fee”** means an amount of up to four percent (4%) of the Grant. The Contract Management Fee may only be used by the Grantee for the purpose of administering this Agreement and/or the redistribution of the applicable Grant funds to Sub-Grantees as permitted by this Agreement.
- (h) **“Cure Period”** means within twenty (20) calendar days after written notice by the MSF Fund Manager, or within such longer period of time as determined in writing and at the sole discretion of the MSF Fund Manager.
- (i) **“DACA”** means the Deposit Account Control Agreement with respect to the Deposit Account, in the form of Exhibit F attached hereto, to be executed by MSF, Grantee, and Highpoint Community Bank as part of the closing of this Agreement.
- (j) **“Default”** means an event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default.
- (k) **“Deposit Account”** has the meaning set forth in Section 3.12, and is the account referenced in the Pledge Agreement and DACA.
- (l) **“Disbursement Request”** means a written request from Grantee for Grant funds in the form of Exhibit B, attached hereto.
- (m) **“Effective Date”** has the meaning set forth in the preamble.
- (n) **“Eligible Activities”** means activities undertaken by the Grantee itself or a Sub-Grantee related to site assessments to identify the improvements and associated costs required to bring sites within the Region into a state of readiness, for engineering, design, and other predevelopment work, including community engagement and the Contract Management Fee, required to commence construction on site improvements and to develop a spending plan and proposal for capital investments in site readiness, all in an effort to create investment ready sites. Provided further, as more particularly described in Section 2.5(e)(iv), to the extent approved by

the MSF Fund Manager or its designee as required in Section 2.5(e)(iv), Eligible Activities may include the use of the Grant for the acquisition of real property or interests in real property.

(o) **“Eligible Expenses”** means the actual expenditure of funds directly by the Grantee, or a Sub-Grantee on or after September 26, 2023, for Eligible Activities in the Region.

(p) **“Event of Default”** means any one or more of those events described in Section 5.1.

(q) **“Exhibit”** means each of the documents or instruments attached to this Agreement.

(r) **“Final Report”** means the written certification of Grantee in the form and substance set forth in Exhibit D.

(s) **“Grantee”** has the meaning set forth in the preamble.

(t) **“Grant”** has the meaning set forth in Recital H.

(u) **“Grant Disbursement”** means Grant funds paid to the Grantee by the MSF under this Agreement.

(v) **“Grant Manager”** means that individual person designated by the MSF Fund Manager from time to time to provide administrative services for the MSF under this Agreement.

(w) **“Indemnified Persons”** has the meaning set forth in Section C.6 of Exhibit C.

(x) **“Key Personnel”** means the Grantee or its affiliates, subsidiaries, officers, directors, managerial employees, and any person who, directly or indirectly, holds a pecuniary interest in the Grantee of 20% or more.

(y) **“MEDC”** has the meaning set forth in Recital B.

(z) **“MSF”** has the meaning set forth in the preamble.

(aa) **“MSF Fund Manager”** means the person designated by the Board of Directors of the MSF from time to time to serve as the manager for the MSF programs.

(bb) **“MSF Site Interests”** has the meaning set forth in Section 2.5(e)(iv).

(cc) **“Party”** or **“Parties”** has the meaning set forth in the preamble.

(dd) **“Pledge Agreement”** means the Pledge and Assignment of Project Account Agreement with respect to the Deposit Account, in the form of Exhibit E attached hereto, to be executed by MSF and Grantee as part of the closing of this Agreement.

(ee) **“Priority Strategic Site”** means a site identified by Grantee as being necessary to transform the economy of the Region that is or, subsequent to a proposed acquisition, will be used for manufacturing or another commercial use.

(ff) **“Progress Report”** means the annual report submitted no later than October 10th of each year during the Term of the Grant that consists of the quantitative or numerical data required by the Act, as more particularly described in Section C.1 of Exhibit C, and otherwise in form and substance required from time to time by the SSRP.

(gg) **“Region”** means prosperity region number 9 within the State on the prosperity map attached as Exhibit G.

(hh) **“SOAR”** has the meaning set forth in Recital D.

(ii) **“SSRP”** has the meaning set forth in Recital C.

(jj) **“State”** means the State of Michigan.

(kk) **“Sub-Grant”** has the meaning set forth in Section 2.5(b).

(ll) **“Sub-Grantee”** has the meaning set forth in Recital I.

(mm) **“Supporting Documentation”** means invoices, receipts, copies of contracts for Eligible Activities, and any other relevant documents arising out of the Eligible Activities.

(nn) **“Term of the Grant”** or **“Term”** means from the Effective Date and, unless earlier terminated as provided by this Agreement, through the earlier of: (i) May 30, 2026; (ii) the Grant Manager’s approval of the Final Report; or (iii) when the Parties agree in writing.

EXHIBIT B

DISBURSEMENT REQUEST

This Disbursement Request is being delivered pursuant to the Strategic Site Readiness Program (“SSRP”) Agreement dated November 30, 2023 (the “SSRP Grant Agreement”), by and between the Michigan Strategic Fund (“MSF”), and Ann Arbor SPARK, Case No. 394414. Capitalized terms in this Disbursement Request and not otherwise defined herein shall have the meanings ascribed to them in the SSRP Grant Agreement.

Capitalized terms used herein and not otherwise defined herein have the meanings set forth in the SSRP Grant Agreement. The undersigned, in the name and on behalf of Grantee (and not in an individual capacity), hereby certifies, represents and warrants that as of the date of signing:

1. Grantee has complied and is in compliance with all the terms, covenants, and conditions of the SSRP Grant Agreement.
2. No Default or Event of Default exists.
3. The representations and warranties of Grantee contained in Article III of the SSRP Grant Agreement are true and correct.
4. Attached hereto is the Supporting Documentation required by Section 2.4(b) of the SSRP Grant Agreement in support of the Eligible Expenses set forth below.
5. Each of the Eligible Expenses listed below were spent or otherwise committed on or before the date below.

| | Eligible Expense | Amount Spent or Committed |
|--|-------------------------|----------------------------------|
| 1 | | |
| 2 | | |
| 3 | | |
| 4 | | |
| 5 | | |
| 6 | | |
| 7 | | |
| TOTAL AMOUNT SPENT OR OTHERWISE COMMITTED | | |

The undersigned has the authority to sign this Disbursement Request on behalf of Grantee and signs this Disbursement Request as of _____.

ANN ARBOR SPARK

By:
Its:

EXHIBIT C

STATE REQUIRED TERMS

Section C.1 Progress Reports. Beginning October 10, 2024 and continuing no later than October 10th of each calendar year during the Term, the Grantee shall submit to the Grant Manager an annual Progress Report relative to the Project. The Progress Report shall be an all-encompassing report of the preceding twelve (12) months ending September 30, and submission of all data required for the MSF to comply with its annual reporting requirements to the Michigan legislature under the Act (see MCL 125.2009); including reporting for the previous twelve (12) months ending September 30:

- (a) the amount of financial support other than State resources;
- (b) a narrative of Eligible Activities completed during the reporting period.

Section C.2 Confidentiality. In connection with the transactions contemplated by this Agreement, the MSF, the MEDC or their representatives may obtain, or have access to all information or data concerning the business, operations, assets, or liabilities of the Grantee. Under MCL 125.2005(9), the MSF Board has authority, upon the Grantee's request, to acknowledge financial or proprietary Grantee information as confidential. If the MSF acknowledges Grantee information as confidential (the "Confidential Information"), the MEDC and the MSF agree that they and their representatives will use the Confidential Information solely for the purpose of administering this Agreement, and that the Confidential Information will be kept strictly confidential and that neither the MEDC, the MSF, nor any of their representatives will disclose any of the Confidential Information in any manner whatsoever. However, the MSF or the MEDC may disclose Confidential Information: (i) to such of its representatives who need such information or data for the sole purpose of administering the SSRP and the transactions contemplated by this Agreement; (ii) to the extent required by applicable law (including, without limitation, the Michigan Freedom of Information Act); (iii) if, before the Effective Date, such information or data was generally publicly available; (iv) if after the Effective Date, such information or data becomes publicly available without fault of or action on the part of the MSF, the MEDC or its representatives; and (v) in all other cases, to the extent that the Grantee gives its prior written consent to disclosure. This Section shall survive indefinitely.

Section C.3 Access to Records and Inspection Rights. During the Term of the Grant, there will be frequent contact between the Grant Manager, or other MEDC, MSF or representative of the State, and the Grantee. Until the end of the Term of the Grant, to enable the Auditor General, the Department of Technology, Management and Budget (the "DTMB"), the MSF, or the MEDC to monitor and ensure compliance with the terms of this Agreement, the Grantee shall permit the Auditor General, the Chief Compliance Officer, the DTMB, the MSF, or the MEDC to visit the Grantee, and any other location where books and records of the Grantee are normally kept, to inspect the books and records, including financial records and all other information and data relevant to the terms of this Agreement, including the expenditure of the Grant Disbursements; provided, however, that such audit right shall survive the end of the Term of the Grant by three (3) years. In connection with any such audit, the Grantee shall cooperate with the Chief Compliance Officer, if contacted, as provided in MCL 125.2088i(6)(h). At such visits, the Grantee shall permit the Auditor General, the Chief Compliance Officer, the DTMB, the MSF, or any member, employee or agent of the MSF, the Chief Compliance Officer, the Grant Manager, or any employee or agent of the MEDC to make copies or extracts from information and to discuss

the affairs, finances and accounts of the Grantee related to this Agreement with its officers, employees or agents. Notwithstanding anything to the contrary, any information and data that the Grantee reasonably determines is Confidential Information shall be reviewed by the Auditor General, the Chief Compliance Officer, the DTMB, the MSF, and the MEDC at the offices of the Grantee and the Auditor General, the Chief Compliance Officer, the DTMB, the MSF, or the MEDC shall have the right to remove, photocopy, photograph or otherwise record in any way any part of such books and records with the prior written consent of the Grantee, which consent shall not be unreasonably withheld. The Grantee may redact private or proprietary information contained in any records removed, copied, photographed, or recorded by the Auditor General, the DTMB, the MSF, the MEDC, or the Chief Compliance Officer or their respective representatives. The MEDC and MSF agree to provide the Grantee thirty (30) days written notice in the event either the MEDC or the MSF wishes to access records of the Grantee related to this Agreement.

Section C.4 Termination of Funding. In the event that the State Legislature or the State Government fails to provide or terminates the funding necessary for the MSF to fund the Grant, the MSF may terminate this Agreement by providing notice to the Grantee not less than thirty (30) calendar days before the date of cancellation provided, however, that in the event the action of the State Legislature or State government results in an immediate absence or termination of funding, this Agreement may be terminated effective immediately upon delivery of written notice to the Grantee. In the event of termination of funding, the MSF has no further obligation to make Grant Disbursements beyond the date of termination of this Agreement.

C

Section C.5 Non-Discrimination and Unfair Labor Practices. In connection with this Agreement, the Grantee agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex (including sexual orientation and gender identity or expression as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, physical or mental disability, or genetic information (as defined in Executive Directive 2019-09) that is unrelated to the individual's ability to perform the duties of the particular job or position. The Grantee further agrees that every subcontract or sub-recipient agreement entered into for performance of this Agreement will contain a provision requiring nondiscrimination in employment, as specified in this Agreement, binding upon each subcontractor. This covenant is required, as applicable under the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and is consistent with Executive Directive 2019-09, and any breach thereof may be regarded as a material breach of this Agreement.

Under 1980 PA 278, MCL 423.321, *et seq.*, the State shall not award a contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair labor practice compiled under MCL 423.322. The United States Labor Relations Board compiles this information. The Grantee shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Under MCL 423.324, the State may void any contract if, subsequent to the award of the contract, the name of the Grantee as an employer, or the name of a subcontractor, manufacturer, or supplier of the Grantee appears in the register.

Section C.6 Indemnification and Hold Harmless. Except for their respective obligations to process or disburse Grant Disbursements as required in this Agreement, the MSF, the State, the MEDC, its Executive Committee and their respective directors, participants, officers, agents, and employees (collectively, the "Indemnified Persons") shall not be liable to the Grantee for any

reason. The Grantee shall indemnify and hold the State, the MSF, and the MEDC and other Indemnified Person harmless against all claims asserted by or on behalf of any individual person, firm or entity (other than an Indemnified Person), arising or resulting from, or in any way connected with this Agreement or any act or failure to act by the Grantee under the Agreement, including all liabilities, costs and expenses, including reasonable counsel fees, incurred in any action or proceeding brought by reason of any such claim. The Grantee shall also indemnify the MSF, the MEDC and other Indemnified Person from and against all costs and expenses, including reasonable counsel fees, lawfully incurred in enforcing any obligation of the Grantee under this Agreement.

The Grantee shall have no obligation to indemnify an Indemnified Person under this Section if a court with competent jurisdiction finds that the liability in question was solely caused by the willful misconduct or gross negligence of the MSF, the MEDC or other Indemnified Person, unless the court finds that despite the adjudication of liability, the MSF, the MEDC or other Indemnified Person is fairly and reasonably entitled to indemnity for the expenses the court considers proper. The MSF, the MEDC and the Grantee agree to act cooperatively in the defense of any action brought against the MSF, the MEDC or another Indemnified Person to the greatest extent possible.

Performance of the Grantee's obligations contemplated under this Agreement is within the sole control of the Grantee and its employees, agents and contractors, and an Indemnified Person shall have no liability in tort or otherwise for any loss or damage caused by or related to the actions or failures to act, products and processes of the Grantee, its employees, agents, or contractors. This Section shall survive indefinitely.

Section C.7 Jurisdiction. The parties shall make a good faith effort to resolve any controversies that arise regarding this Agreement. If a controversy cannot be resolved, the parties agree that any legal actions concerning this Agreement shall be brought in the Michigan Court of Claims or, as appropriate, Ingham County Circuit Court in Ingham County, Michigan. The Grantee acknowledges by signing this Agreement that it is subject to the jurisdiction of this court and agrees to service by first class or express delivery wherever the Grantee resides, in or outside of the United States. This Section shall survive indefinitely.

EXHIBIT D
FINAL REPORT

This Final Report is being delivered pursuant to the Strategic Site Readiness Program (“SSRP”) Agreement dated November 30, 2023 (the “SSRP Grant Agreement”), by and between the Michigan Strategic Fund (“MSF”), and Ann Arbor SPARK, Case No. 394414. Capitalized terms in this Final Report and not otherwise defined in this Final Report shall have the meanings ascribed to them in the SSRP Grant Agreement.

The undersigned, in the name and on behalf of Grantee (and not in an individual capacity), hereby certifies, represents, and warrants that as of the date of signing this Final Report:

1. Grantee has complied and is in compliance with all the terms, covenants, and conditions of the SSRP Grant Agreement.
2. No Default or Event of Default exists.
3. The representations and warranties of Grantee contained in Article III of the SSRP Grant Agreement are true and correct.
4. Attached is the spreadsheet, together with Supporting Documentation, describing and itemizing the final spending plan, including the actual expenditure of Grant Disbursements for all Eligible Activities completed during the Term, the category of each such expenditure, the description of Eligible Activities completed, the sites involved, and, as applicable, the payments made directly by Grantee for Eligible Expenses, and the applicable payments made by Grantee to each identified Sub-Grantee for Eligible Expenses, along with the identification of the service providers of those Eligible Activities.
5. The amount of Grant funds remaining (less any Administrative Amount) is _____.
6. **[If there is a remaining balance:** Included with this Final Report, Grantee hereby submits payment of the balance Grant funds to the MSF in the amount of _____.]

The undersigned has the authority to sign this Final Report on behalf of Grantee and signs this Final Report as of _____.

ANN ARBOR SPARK

By:
Its:

EXHIBIT E

PLEDGE AND ASSIGNMENT OF PROJECT ACCOUNT AGREEMENT

PLEDGE AND ASSIGNMENT OF PROJECT FUNDS ACCOUNT

This Pledge and Assignment of Project Funds Account ("Pledge Agreement") is made effective as of November 30, 2023 (the "Effective Date"), is between the Michigan Strategic Fund (the "MSF"), whose address is 300 North Washington Square, Lansing, Michigan 48913, and Ann Arbor SPARK, a local economic development organization (the "Grantee"), whose address and principal office is 330 East Liberty Street, Ann Arbor, Michigan 48104. As used in this Agreement, the MSF and the Grantee are, individually, a "Party" and, collectively, the "Parties". Capitalized terms used herein and not otherwise defined herein have the respective meanings set forth in the SSRP Grant Agreement (as defined herein).

RECITALS

A. The Michigan Strategic Fund Act (MCL 125.2001 et seq.), as amended, includes Section 88s (MCL 125.2088s), to enable the MSF to create and operate the critical industry program to provide qualified investments to qualified businesses in the State of Michigan for deal-closing, gap financing, or other economic assistance to create or retain qualified jobs as a result of a technological shift in product or production or make capital investment, or both.

B. Under the control and direction of the MSF Board, staff of the Michigan Economic Development Corporation, a public body corporate (the "MEDC"), provides administrative services for the MSF.

C. On January 11, 2022, the MSF Board established the Strategic Site Readiness Program (the "SSRP") and associated guidelines to govern the SSRP, as amended, and which may be amended from time to time.

D. The SSRP is to be funded through the Strategic Outreach and Attraction Reserve created by PA 137 of 2021 ("SOAR").

E. On September 26, 2023, the MSF approved a SSRP grant award to the Grantee in the amount of up to Two Million Five Hundred Thirty-Five Thousand One Hundred Forty-Seven and 00/100 Dollars (\$2,535,147.00) (the "Grant") to be disbursed under the terms of a Strategic Site Readiness Grant Agreement dated on or about the Effective Date (the "SSRP Grant Agreement"), subject to the transfer of SOAR funds necessary to fund the Grant.

F. Under the terms and conditions of the SSRP Grant Agreement, the Grantee shall use the grant disbursements to be reimbursed for Eligible Expenses for Eligible Activities for the Project.

G. Grantee has established a certain deposit account at Highpoint Community Bank, 150 W. Court, Hastings, Michigan 49508 (the "Bank"). As required under the SSRP Grant Agreement, and as further described herein, the MSF has required that the Grantee pledge its interest in the Grantee's Bank account to the MSF, as security under the SSRP Grant Agreement.

H. Pursuant to the SSRP Grant Agreement, Grantee has agreed to execute such instruments as the MSF may reasonably request to confirm such pledge as described in the SSRP Grant Agreement.

Now therefore, in consideration of the Recitals, the SSRP Grant Agreement and the promises in this Pledge Agreement, the Parties agree:

1. **Account**. Grantee has established with the Bank a separate special, segregated, and irrevocable cash account in the form of an interest-bearing account which is and shall remain maintained at the Bank in the name of Grantee ("Account"). The account number of the Account is _____. The Grantee, the MSF and the Bank have entered into a Control Agreement with respect to the Account ("Deposit Account Control Agreement") dated on or about the Effective Date, which among other things, and together with this Pledge Agreement, perfects the MSF's security interest in the Account.
2. **Account Registration**. Pursuant to the SSRP Grant Agreement, Grantee acknowledges that the Account is the only account of Grantee registered with the State of Michigan to receive Grant Disbursements under the terms and conditions of the SSRP Grant Agreement.
3. **Grant Disbursements**. Pursuant to the SSRP Grant Agreement, and except as otherwise agreed to in writing by MSF and the Grantee, all Grant Disbursements from MSF to the Grantee shall be deposited into the Account and used therefrom only as permitted under the SSRP Grant Agreement. For the avoidance of doubt, so long as such funds are used as permitted under the SSRP Grant Agreement, no consent or other action from MSF shall be necessary to use the funds in the Account, subject to Section 6 below.
4. **Pledge of Account**. As collateral security for the Grant to the Grantee under the SSRP Grant Agreement, the Grantee hereby pledges, assigns, hypothecates and transfers to the MSF a lien and security interest in and to the Account and all cash, investments, investment property, securities or other property at any time on deposit in or credited to the Account, including all income or gain earned thereon and any proceeds thereof (collectively, the "Account Collateral"). This Pledge Agreement shall terminate in accordance with the terms of the SSRP Grant Agreement or otherwise upon the termination of the SSRP Grant Agreement.
5. **Grantee Representations and Warranties**. Grantee represents and warrants to the MSF that (a) except as to the interest of the Bank in connection with the Bank's customary fees and charges and reversal of provisional credits, no prior lien or encumbrance exists on the Account Collateral, and the Grantee will not grant or suffer to exist any such lien or encumbrance in the future, other than in favor of the MSF; (b) the Grantee is the legal owner of the Account Collateral and has the right to pledge and grant a security interest in the Account Collateral without the consent of any other party; and (c) this Pledge Agreement has been duly authorized, executed and delivered by the Grantee and is the legal, valid, binding and enforceable obligation of such party, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and subject to general equitable principles.

6. Event of Default/Bank Termination.

- a. **Event of Default.** In addition to any other rights given to MSF under this Pledge Agreement and applicable law, if any Default or Event of Default under the SSRP Grant Agreement occurs and continues, the MSF may issue an Exclusive Access Notice (as defined in the Deposit Account Control Agreement) to effectuate a freeze of the Account, and declare any and all of the amounts then owed to the MSF as permitted under the SSRP Grant Agreement to be immediately due and payable without notice and the MSF shall have and may exercise, in addition to all other rights and remedies granted to it in the SSRP Grant Agreement and the Collateral Documents, including this Pledge Agreement, and in any other instrument or agreement securing, evidencing, or relating to the Account Collateral, all the rights and remedies on default, in forfeiture, and otherwise available to secured parties under the Uniform Commercial Code and other applicable law, and all funds then in the Account shall be held by the Grantee, as the case may be, in trust for MSF, and shall immediately be turned over to MSF.
- b. **Bank Termination of the Deposit Account Control Agreement.** Prior to termination of the SSRP Grant Agreement, in the event there is a Bank notice of termination, or other termination by the Bank, under the Deposit Account Control Agreement, the MSF may issue an Exclusive Access Notice (as defined in the Deposit Account Control Agreement) to effectuate a freeze of the Account, and provide written instructions to the Bank for further disposition of any funds in the Account, for the sole purpose of carrying out the terms of this Pledge Agreement, to exercise any of the rights and remedies granted to MSF herein, and to take any and all other appropriate action and to execute any and all documents and instruments that may be reasonably necessary or desirable to maintain the MSF's security interest in the Account Collateral and to maintain and/or effectuate MSF's rights and remedies under this Pledge Agreement.

7. **MSF's Appointment as Attorney-in-Fact.** If any Default or Event of Default under the SSRP Grant Agreement, occurs and continues, or if there is a Bank notice of termination, or other termination by the Bank of the Deposit Account Control Agreement under the Deposit Account Control Agreement, the Grantee irrevocably appoints MSF, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in its respective place and stead and in its name or in its own name, from time to time in MSF's sole discretion, for the sole purpose of carrying out the terms of this Pledge Agreement, to exercise any of the rights and remedies granted to MSF herein, and to take any and all other appropriate action and to execute any and all documents and instruments that may be reasonably necessary or desirable to maintain and/or effectuate MSF's rights and remedies under this Pledge Agreement.

8. **Powers Coupled with an Interest.** All powers, authorizations, and agencies contained in this Pledge Agreement with respect to the Account Collateral are irrevocable during the period that this Pledge Agreement is in effect, and such powers are coupled with an interest. The Grantee ratifies all that the MSF, as attorney-in-fact hereunder, shall lawfully do or cause to be done by virtue of the MSF's exercise of its rights under Section 7 of this Pledge Agreement.

9. **Voluntary Waiver by the Grantee.** The Grantee knowingly, voluntarily, and intelligently waives any and all causes of action and claims that it may have against MSF or its

contractors, or agents, as a result of the exercise by MSF, of any of MSF's rights and remedies hereunder, and MSF and its' contractors and agents shall have no duty with respect to the Grantee except as otherwise provided herein or in the SSRP Grant Agreement. The Grantee further knowingly, voluntarily, and intelligently waives any and all defenses it may have in connection with the Account Collateral or the exercising by the MSF of its rights and remedies in accordance with the terms of this Pledge Agreement. The waivers contained herein are freely, knowingly, and voluntarily given by the Grantee, without any duress or coercion, and the Grantee has carefully and completely read all of the terms and provisions of this Pledge Agreement. No Party shall be deemed to have relinquished these waivers except by a writing signed by the Party to be charged without having relinquished any such waiver. All such waivers contained in this Section 9 are given to the extent permissible under applicable law.

10. **No Waiver by MSF, Cumulative Remedies.** MSF shall not by any act, delay, omission, or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver by MSF shall be valid unless in writing, signed by MSF, and then only to the extent therein set forth. A waiver by MSF of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that MSF would otherwise have had on any future occasion. No single or partial exercise of any right, power, or privilege hereunder by MSF shall preclude any other or future exercise thereof or the exercise of any other right, power, or privilege. These rights and remedies are cumulative and may be exercised singly or concurrently and are not exclusive of any rights and remedies provided by law.
11. **Notices:** Any notice or other communication under this Agreement shall be in writing and shall be deemed properly given and received (a) as of the second business day after deposit with Federal Express or a similar overnight courier service, delivery charges prepaid; or (b) on the same day as the transmission of an e-mail, or of a PDF or similar file attached file attached to an email, so long as such email is sent before 5:00 p.m. EST on such business day (and timely transmission thereof is evidenced by such email appearing in sender's "sent" e-mail box before such time), or (c) the business day after transmission of an e-mail, or of a PDF or similar fail attached to an email, sent after 5:00 p.m. EST on such business day (with evidence of time of transmission thereof by such email appearing in sender's "sent" e-mail box after such time):

If to Grantee: Ann Arbor SPARK
330 East Liberty Street
Ann Arbor, Michigan 48104
Attention: Paul Krutko
Email: paul@annarborusa.org

If to the MSF:

Michigan Strategic Fund
c/o Michigan Economic Development Corporation
300 North Washington Square
Lansing, Michigan 48913
Attention: Colleen Horton
Email: hortonc@michigan.org

With a copy to:

Michigan Economic Development Corporation
300 North Washington Square
Lansing, Michigan 48913
Attention: MEDC Legal
Email: medclegal@michigan.org

Michigan Economic Development Corporation
300 North Washington Square
Lansing, Michigan 48913
Attention: MEDC Contracts and Grants
Email: ContractsandGrants@michigan.org

12. **Severability:** All the clauses of this Pledge Agreement are distinct and severable and, if any clause shall be deemed illegal, void, or unenforceable, it shall not affect the validity, legality, or enforceability of any other clause or provision of this Agreement. To the extent possible, the illegal, void, or unenforceable provision shall be revised to the extent required to render the Pledge Agreement enforceable and valid, and to the fullest extent possible, the rights and responsibilities of the Parties shall be interpreted and enforced to preserve the Agreement and the intent of the Parties. Provided, if application of this Section should materially and adversely alter or affect a Party's rights or obligations under this Agreement, the Parties agree to negotiate in good faith to develop a structure that is as nearly the same structure as the original Agreement (as may be amended from time to time) without regard to such invalidity, illegality, or unenforceability.
13. **Successors and Assigns:** The MSF may at any time assign its rights in this Agreement with the Grantee's consent, which may not be unreasonably conditioned or delayed; except however, the MSF may at any time, without consent of Grantee, assign its rights in this Agreement to any State entity (including, but not limited to, any department, agency, public body corporate, or other entity established as otherwise directed in an executive order or executive directive). The Grantee may not assign its rights or obligations under this Agreement without the prior written consent of the MSF Fund Manager. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted.
14. **Counterparts; PDF Signatures.** This Pledge Agreement may be signed in counterparts and delivered in PDF or other electronic format, and in any such circumstances, shall be considered one document and an original for all purposes.
15. **Jurisdiction.** The Parties agree that they shall make a good faith effort to resolve any controversies that arise regarding this Pledge Agreement. If a controversy cannot be resolved, the Parties agree that any legal actions concerning this Pledge Agreement shall be brought in the Michigan Court of Claims or, as appropriate, Ingham County Circuit Court in Ingham County, Michigan.

16. **Amendment**. This Pledge Agreement may not be modified or amended except pursuant to a written instrument signed by the Grantee and the MSF Fund Manager.
17. **Michigan Law**: This Pledge Agreement shall be interpreted, and the rights of the Parties hereunder shall be determined under the laws of the State of Michigan.

(Signature page follows)

The Parties sign this Pledge Agreement effective as of the Effective Date. The individuals signing below certify that they have been duly authorized to execute this Agreement on behalf of their respective Party.

ANN ARBOR SPARK

By: Paul Krutko
Its: President and CEO

MICHIGAN STRATEGIC FUND

By: Valerie Hoag
Its: Fund Manager

(Signature page to Pledge Agreement)

EXHIBIT F

FORM OF DEPOSIT ACCOUNT CONTROL AGREEMENT

**CONTROL AGREEMENT -
DEPOSIT ACCOUNT**

ACCOUNT HOLDER:

GRANTEE
XXXXXXXXXX
XXXX, MICHIGAN XXX

SECURED PARTY:

**MICHIGAN STRATEGIC FUND,
A PUBLIC BODY CORPORATE AND POLITICAL WITHIN
A PRINCIPAL DEPARTMENT OF MICHIGAN
C/O MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
300 N. WASHINGTON SQUARE
LANSING, MICHIGAN 48913**

DEPOSITORY INSTITUTION:

HIGHPOINT COMMUNITY BANK **ACCOUNT(S): XXXXXXXXX**
ATTN: DEPOSIT
OPERATIONS
150 W. COURT
HASTINGS, MI 49058
EMAIL: DEPOSITOPERATIONS@HCB.US; VVAUGHAN@HCB.US; LENGLE@HCB.US

AGREEMENT. In consideration of the provisions of this Agreement, and for other good and valuable consideration, which has been received by the parties, the Account Holder, the Secured Party, and the Depository Institution agree to all of the provisions in this Agreement. Account Holder acknowledges and confirms that Account Holder has established the deposit accounts identified above in the name of the Account Holder at Depository Institution (collectively, the "Account"). This Agreement refers to (i) the Account and (ii) all funds, checks, cash, items, instruments, or other property at any time on deposit in or credited to the Account, including all income or gain earned thereon and other things of value at any time paid, deposited, credited, or held in the Account (whether for collection, provisionally, or otherwise) and all proceeds of the all the foregoing (the "Collateral").

SECURITY INTEREST. Depository Institution acknowledges notice from the Account Holder and the Secured Party that Account Holder has granted the Secured Party a security interest in, lien upon, and pledge of the Account and the Collateral. This Agreement constitutes a separate agreement for the Account and Collateral and is intended to perfect Secured Party's

security interest in, and give "control," as defined in Section 9104 of the Uniform Commercial Code, MCL 440.9104 as in effect in the State of Michigan (the "UCC"), in favor of Secured Party with respect to the Account and Collateral. Depository Institution agrees that, except as otherwise required by any Legal Mandate, it will not enter into any agreement with any person or entity in connection with the Account by which Depository Institution is obligated to comply with instructions from the person or entity which conflict with this Agreement.

The security interest, pledge and assignment are called the "Security Interest". The Account Holder and the Secured Party notify the Depository Institution of the Security Interest, and the Depository Institution agrees that it has been notified of the Security Interest.

ACCOUNT RULES. The Account is subject to the following (together, the "Account Rules"): (a) Depository Institution's right to place holds for uncollected funds pursuant to Federal Reserve Regulation CC, (b) Depository Institution's account and applicable service agreements, disclosures, other deposit account documentation, and (c) Depository Institution's customary procedures and practices as in effect from time to time. In the event of a conflict between the terms of this Agreement and the Account Rules, the terms of this Agreement govern.

CONTROL. Secured Party agrees that until Depository Institution actually receives written notice from Secured Party to the contrary ("Exclusive Access Notice"), Account Holder, but not Secured Party, will be allowed full and complete access to the Account without Secured Party's further consent. After Depository Institution's receipt of an Exclusive Access Notice from the Secured Party and passage of a reasonable time to act thereon, not to exceed two (2) business days following actual receipt by Depository Institution, and until Depository Institution is notified in writing by Secured Party that the Exclusive Access Notice is withdrawn and has had a reasonable time (not to exceed two (2) business days) to act on the withdrawal of the Exclusive Access Notice, except as required by Legal Mandate, (A) neither Account Holder nor any other person or entity, other than Secured Party, will be entitled to access the Account, (B) the Depository Institution will not permit the Account Holder or any other person or entity, except the Secured Party, to withdraw or transfer any of the Collateral from the Account, (C) the Depository Institution will not comply with any order, notice, request or other instruction from the Account Holder or any other person or entity except the Secured Party relating to any of the Account or Collateral, (D) the Depository Institution will not pay or transfer any of the Account or Collateral to the Account Holder or any other person or entity except the Secured Party and (D) Depository Institution will comply with instructions originated by Secured Party regarding the disposition of funds in the Account, including instructions with regard to wire transfers of funds from the Account pursuant to standing transfer orders, giving stop payment orders and such other actions as may be specified in writing by Secured Party consistent with the Account Rules, all without Account Holder's, or any other person's or entity's further consent. Account Holder irrevocably authorizes and directs Depository Institution, and Depository Institution agrees, to comply with any such instructions by Secured Party without notice to or further action or consent by Account Holder and notwithstanding any subsequent objection or contrary direction Depository Institution may receive from Account Holder or any other person or entity. Account Holder acknowledges and agrees that it shall not withdraw or otherwise direct disposition of funds from the Account at any time after it becomes aware that Secured Party has sent an Exclusive Access Notice to the Depository Institution or in the event of a Default or Event of Default, as each are defined in that certain Strategic Site Readiness Program ("SSRP") Grant Agreement between Account Holder and Secured Party, dated on or about the date of this Agreement, as may be amended from time to time. Account Holder, Secured Party and Depository Institution hereby agree that the forgoing sentence creates rights and obligations and liabilities solely and exclusively between Account Holder and Secured Party, and the Depository Institution's duties and responsibilities under this Agreement (including, without limitation, with respect to delivery or non-delivery of any Exclusive Access Notice from Secured Party or any instruction given to Depository Institution by Account Holder) are determined without any reference whatsoever to the forgoing sentence, any knowledge the Depository Institution may have or be deemed to have of the existence thereof or any claim by Account

Holder or Secured that the Depository Institution must take such sentence into account. Account Holder acknowledges and agrees that it will not, and will not be permitted to, close the Account without the prior written consent of Secured Party. Notwithstanding the foregoing, Depository Institution reserves the right to suspend all activities in any Account in the event Depository Institution believes that fraudulent or illegal activities have occurred in connection with any Account or this Agreement.

SUBORDINATION OF RIGHTS; SETOFF. Depository Institution subordinates in favor of Secured Party all existing and future security interests, rights of recoupment or setoff and banker's liens against the Account and Collateral, except those security interests rights of setoff and banker's liens arising in connection with (a) processing or encoding errors arising in an Account, (b) items deposited in an Account that are subsequently returned to Depository Institution unpaid, without regard to the timeliness of the return (c) automated clearing house ("ACH") credit entries initiated from an Account by Account Holder or Secured Party for which there are insufficient funds in the applicable Account on the date required by the applicable agreement with the Depository Institution for such services, or ACH debit entries initiated from an Account by Account Holder or Secured Party which are returned to Depository Institution for any reason, without regard to the timeliness of the return, (d) all other charges and obligations and liabilities arising out of any cash management services provided by Depository Institution for Account Holder, and (e) any of Depository Institution's usual and customary charges, fees and expenses provided for in this Agreement or in any other agreement pursuant to which Depository Institution provides services relating to the Accounts for which Account Holder is responsible. Account Holder and Secured Party understand and agree that Depository Institution is authorized to collect any amount owing pursuant to the preceding sentence (a "Chargeable Amount") by debiting any of the Accounts. Account Holder will pay any Chargeable Amount immediately upon demand to the extent there are not sufficient funds in the Account to cover any Chargeable Amount on the day of the debit.

ACCOUNT INFORMATION. To the extent practical, Depository Institution will make available to Secured Party information with respect to the Account and Collateral as Secured Party may from time-to-time reasonably request, including, without limitation, duplicate copies of all bank statements provided concurrently with the delivery of them to Account Holder. Account Holder consents to the Depository Institution providing such information to Secured Party.

REPRESENTATIONS. (A) The Account Holder and the Depository Institution represent to the Secured Party and agree that, except as permitted herein for the Account Holder and Secured Party, the Depository Institution has not issued, and will not issue, any interest in the Account or any of the Collateral, and the Depository Institution has not given, and will not give, any interest in the Account or the Collateral to or any other person or entity. (B) The Depository Institution represents to the Secured Party and the Account Holder that (i) the Depository Institution is a bank, as defined in Uniform Commercial Code and (ii) the Account is a deposit account, as defined in the Uniform Commercial Code. The State of Michigan is the Depository Institution's jurisdiction for purposes of Uniform Commercial Code.

RIGHTS OF DEPOSITORY INSTITUTION; COMPLIANCE WITH LAW. The Depository Institution does not have to pay uncollected funds. The Depository Institution does not have to make funds available before it is required to do so under federal law or the Account Rules. The Depository Institution, the Secured Party and the Account Holder shall comply with all applicable laws, regulations, rules, court orders, and other legal process.

INDEMNITY. Account Holder will indemnify Depository Institution, its officers, directors, employees, and agents against claims, liabilities, damages, and expenses arising out of this Agreement including reasonable attorneys' fees and disbursements and the reasonable

estimate of the allocated costs and expenses of in-house legal counsel and staff), except to the extent such claims, liabilities, or expenses are caused by Depository Institution's gross negligence or willful misconduct. This Section shall survive termination of this Agreement.

TAX REPORTING. The Depository Institution will make all reports relating to the Account to all federal, state and local tax authorities under the name and tax identification number of the Account Holder.

NOTICES. Except as otherwise provided in this Agreement, all notices permitted or required by this Agreement will be in writing, will be delivered by personal delivery (whether by messenger or otherwise), email, overnight courier service or certified or registered mail, and will be deemed to have been duly given (a) immediately upon personal delivery (whether by messenger, or otherwise), (b) immediately upon email transmission (with a confirmation of receipt to the sending party which may be a machine generated confirmation), or (c) when actually received, in the case of delivery overnight courier service or United States mail, in each case, and addressed to the respective addresses for Depository Institution, Secured Party, and Account Holder set forth below, or in accordance with other address information as the party to receive notice may provide in writing to the other parties in accordance with this notice provision. For purposes of this Agreement, "Business Day" will mean a day on which Depository Institution's office is open to the public for carrying on substantially all of its banking functions, but will not include Saturdays, Sundays, or legal holidays.

| | |
|----------------------------|--|
| To Account Holder: | GRANTEE XXXXXXXXXX XXXXXXXXXX XXXXXXXXXX Email: XXXXXXXX |
| To Secured Party: | Michigan Strategic Fund c/o Michigan Economic Development Corporation 300 North Washington Square Lansing, Michigan 48913 Attention: Colleen Horton Email: hortonc@michigan.org |
| | With a copy to: Michigan Economic Development Corporation 300 North Washington Square Lansing, Michigan 48913 Attention: MEDC Legal Email: medclegal@michigan.org |
| | And: Michigan Economic Development Corporation 300 North Washington Square Lansing, Michigan 48913 Attention: MEDC Contracts and Grants Email: ContractsandGrants@michigan.org |
| To Depository Institution: | Highpoint Community Bank Attn: DEPOSIT OPERATIONS |

150 WEST COURT
HASTINGS, MI 49058
Email:depositoperations@hcb.us;
vvaughan@hcb.us; lengle@hcb.us

ENTIRE AGREEMENT; AMENDMENTS. This Agreement contains the entire agreement of the parties with respect to its subject matter, and no oral or prior written statements or representations not incorporated herein will have any force or effect. This Agreement will become effective once signed by the Depository Institution, Secured Party, and Account Holder. No provision in this Agreement can be changed, waived, or terminated, except by a writing executed by the Account Holder, the Secured Party, and the Depository Institution.

TERMINATION. Secured Party may terminate this Agreement upon prior written notice to the Account Holder and the Depository Institution; provided, however, the failure of any notice to be sent to Account Holder and/or the lack of receipt by Account Holder of any notice will not diminish or otherwise affect the effectiveness of any notice received by Depository Institution. Depository Institution may terminate this Agreement upon at least thirty (30) days' prior written notice to Account Holder and Secured Party. Depository Institution may terminate this Agreement upon at least five (5) Business Days' prior written notice to Account Holder and Secured Party if the Account Holder fails to make payments to the Depository Institution in breach of this Agreement or the Account Holder or Secured Party is otherwise in material breach of this Agreement. Notwithstanding the foregoing, Depository Institution may terminate this Agreement immediately if it becomes aware of fraud or illegal activity in connection with the Account or this Agreement; provided that, if not prohibited or limited by law, regulation, directive of a governmental authority or bank policy, Depository Institution shall use all reasonable efforts to provide Secured Party prompt written notice of such termination.

WAIVER. The failure of any party at any time to require performance by any other party of any provision of this Agreement will not affect in any way the right to require performance at any subsequent time. Any waiver by any party of the breach of any provision of this Agreement will be effective only if in writing and will not operate as or be construed to be a waiver of any other breach of that provision or of any other provision of this Agreement. No course of dealing or performance will be deemed to amend or otherwise affect any provision of this Agreement.

SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of the parties and their respective permitted legal representatives, successors, and assigns. Secured Party may assign or transfer its rights and obligations under this Agreement to any person or entity to which, by contract or operation of law, the Secured Party transfers substantially all of its rights and obligations under the financing or other arrangements between the Secured Party and the Account Holder for which the Account or Collateral acts as collateral security. The Depository Institution may assign or transfer its rights and obligations under this Agreement to any depository institution which, by contract or operation of law, the Depository Institution transfers substantially all of its rights and obligations under the agreements referred to in the paragraph above entitled "ACCOUNT RULES." No transfer will be binding upon a non-transferring party until the transferring party notifies the non-transferring parties of the transfer in a writing or writings signed by transferor and either signed by the transferee or otherwise contained within a governmental directive or order, or court order, that identifies the transferee, gives the transferee's address for communications under this Agreement, and states that the transferee is entitled to the benefit of the transferring party's rights and has assumed all of the transferring party's obligations under this Agreement, and, in each case where the non-transferring party has had a reasonable period of time to act upon such notice. Account Holder may not assign or transfer its rights or obligations under this Agreement to any person or entity without the prior written consent of Secured Party and Depository Institution.

GOVERNING LAW; JURISDICTION; JURY TRIAL WAIVER. The validity, construction, interpretation, and enforcement of this Agreement, and the rights of the parties hereto, in connection with each Account will be determined under, governed by, and construed in accordance with the internal laws of the State of Michigan, without regard to the principles of conflicts of law. Depository Institution, Account Holder and Secured Party each irrevocably consents and agrees that any action, suit or proceeding resulting from, arising out of or related to this Agreement will be instituted in any state or federal court in the State of Michigan and each waives any objection which it may now or hereafter have to the laying of the venue of any such action, suit or proceeding in any such jurisdiction, on the basis of a more convenient forum or otherwise. Depository Institution's jurisdiction for purposes of Section 9304 of the UCC, MCL 440.9304 is the State of Michigan. EACH OF THE PARTIES WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT, REGARDLESS OF THE NATURE OF THE CLAIM OR FORM OF THE ACTION.

COUNTERPARTS; ELECTRONIC SIGNATURES. This Agreement may be signed in any number of counterparts, each of this will be deemed an original but all of which will constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by pdf, facsimile or other electronic transmission will be effective as delivery of a manually executed counterpart.

SEVERABILITY. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable, that determination will not affect any other provision of this Agreement, and each other provision will be construed and enforced as if the invalid, illegal, or unenforceable provision were not in the Agreement.

SECTION HEADINGS. Section headings are for convenience of reference only and shall not affect the interpretation of this Agreement.

DEFINITIONS. The following words shall have the following meanings when used in this Agreement:

Account Holder. The term "Account Holder" means each and all of the persons or entities shown above as Account Holder. All agreements of the Account Holder in this Agreement are joint, several, and joint and several.

Agreement. The word "Agreement" means this Control Agreement - Deposit Account, as this Control Agreement - Deposit Account may be amended or modified from time to time, together with all exhibits and schedules attached to this Control Agreement - Deposit Account from time to time.

Control. The word "Control" means control of a deposit account, as defined in Section 9104 of the Uniform Commercial Code, MCL 440.9104.

Depository Institution. The words "Depository Institution" mean the Depository Institution shown above.

Legal Mandate. The words "Legal Mandate" mean any writ, levy, garnishment, or court or administrative law order or other similar judicial or regulatory order or process concerning the Account.

Secured Party. The words "Secured Party" mean the Secured Party shown above.

Uniform Commercial Code or UCC. The words "Uniform Commercial Code" or "UCC" mean the Uniform Commercial Code as in effect in Michigan, MCL 440.1101 et seq.

[Remainder of Page Intentionally Left Blank]

This Agreement is dated as of _____, 2023.

ACCOUNT HOLDER:

GRANTEE

By: _____

Name:

Title:

**SECURED PARTY: MICHIGAN STRATEGIC FUND,
a public body corporate and politic within a principal department of Michigan**

By: _____

Name: Valerie Hoag

Title: MSF Fund Manager

DEPOSITORY INSTITUTION: HIGHPOINT COMMUNITY BANK

By: _____

Name:

Title: Authorized

Signer

EXHIBIT G

REGIONAL PROSPERITY MAP

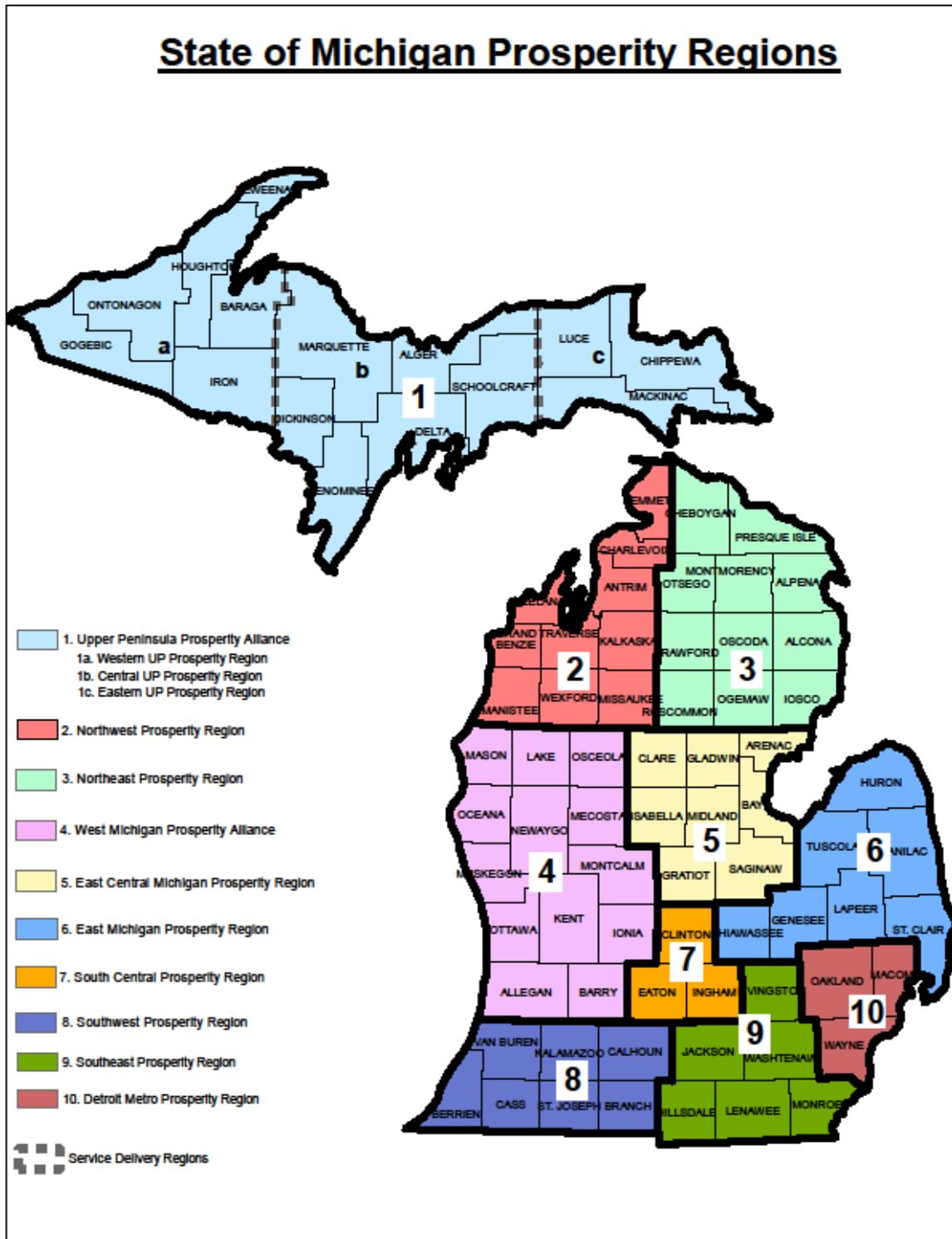


Exhibit 2

Project Proposal

Scope of Work: Regional Strategic Site Readiness Program Grant

Background

The City of Ann Arbor is largely built out and developed, with limited land zoned for high-tech, R&D, and other light industrial uses. This has left few options for growing companies that require larger sites or modern facilities. To remain competitive, Ann Arbor is focused on strengthening site availability to support business growth and new investment.

With a renewed emphasis on economic development, the City is committed to expanding employment in high-tech industries and supporting the retention and expansion of locally founded companies.

Project Purpose

The City of Ann Arbor Department of Economic Development will engage a consultant to conduct a comprehensive analysis of potential redevelopment sites and establish criteria to guide future site readiness efforts. This work will equip the City with the tools to evaluate opportunities, prioritize investment, and create conditions that attract and retain employers.

Scope of Work / Consultant Tasks

Define Market Area, Desired End-Users, and Site Characteristics

- Define the geographic boundaries of the market area to be studied
- Review City's end-user targeting list and conduct end-user outreach / benchmarking
- Identify site characteristics based on desired end-users needs

Inventory Sites

- Identify underutilized or constrained industrially- or commercially-zoned sites within Ann Arbor, including sites that are currently available.
- Document existing conditions and ownership status (to include information needed for site evaluation criteria listed below) based on publicly available information or information provided by the City.

Site Evaluation Criteria

- Develop a framework for assessing sites' redevelopment potential.
- Criteria may include (but are not limited to):
 - Current zoning and consistency with the City's Comprehensive Plan
 - Parcel size and configuration
 - Existing improvements and their condition
 - Past land uses and potential environmental issues
 - Infrastructure availability (transportation, utilities, broadband, etc.)

- Location relative to employment centers, transportation corridors and high-visibility areas
- Potential for “placemaking”
- Anticipated costs and timeline to get to site plan approval

Analysis and Recommendations

- Apply criteria to the identified sites to highlight those most suitable for future investment.
- Recommend priority opportunities and outline potential barriers to redevelopment.

Deliverables

- Comprehensive site inventory and analysis document.
- Evaluation framework (criteria and scoring rubric) for future decision-making.
- Final report summarizing findings and recommended next steps.

Outcomes

This project will provide the City of Ann Arbor with a clear, objective framework for identifying and advancing redevelopment opportunities. The results will support the City’s economic development goals by ensuring land is available to accommodate business growth, attract new investment, and create jobs in alignment with community planning priorities.

Project Cost

The expected cost of this work is \$82,305.