

**INDIANA ECONOMIC DEVELOPMENT CORPORATION
SKILLS ENHANCEMENT FUND
AGREEMENT
(REV: 04/10)**

This AGREEMENT entered into by and between the **INDIANA ECONOMIC DEVELOPMENT CORPORATION** (the "IEDC" or the "State") and **GENERAL MOTORS LLC** and its affiliates and subsidiaries (collectively, the "Grantee"), is executed pursuant to the terms and conditions set forth herein and shall be dated as of the date of execution by all parties hereto. Terms not otherwise defined in this Agreement shall have the meanings set forth at Exhibit A, which is attached hereto and incorporated herein by reference. In consideration of the mutual undertakings and covenants set forth herein, the parties agree as follows:

1. PURPOSE OF AGREEMENT:

The purpose of this Agreement is to enable the IEDC to make a grant to the Grantee from the State of Indiana's Training 2000 Program and Fund, Skills Enhancement Fund Allocation ("SEF Fund") of up to the lesser of (i) the Maximum Grant Amount or (ii) fifty percent (50%) of eligible training costs for the Project. The grant funds shall be used exclusively in accordance with the provisions of this Agreement and Indiana Code § 5-28-7, which establishes the SEF Fund, as well as any rules adopted there-under and no other purpose.

2. TERM OF AGREEMENT:

The term of this Agreement shall be from the Commencement Date until the Expiration Date. The training program for the Project must be fully completed by the Expiration Date. The Grantee shall have sixty (60) days from the Expiration Date to submit a final claim and all final paperwork. In no event shall payments be made for work done or services performed after the Expiration Date. Prior to the Expiration Date, the Grantee may request in writing that this Agreement be extended for a maximum of ninety (90) days, which request may be approved and acknowledged by a duly authorized representative of the IEDC. If approved, the written request and evidence of IEDC's approval shall be attached to this Agreement as an addendum. If the Expiration Date is extended, all other provisions of this Agreement shall remain in full force and effect. Any other extensions or amendments shall occur pursuant to Paragraph 20. The Grantee's obligations under Paragraphs 4 and 5 during the Reporting Period shall survive the termination or expiration of this Agreement, along with any other terms of the Agreement applicable to the enforcement or interpretation of those provisions.

3. DEVELOPMENT AND IMPLEMENTATION OF TRAINING:

The Grantee shall be solely responsible for the development and implementation of the training programs for the Project. Although not expressly attached to this Agreement, the Grantee agrees to complete the Project in accordance with the Grantee's representations, including but not limited to, any plans and specifications contained in its application submitted to the IEDC for the Project. Modification of the Project description shall require prior written approval of the IEDC.

4. MONITORING BY THE IEDC:

A. Throughout the Reporting Period, the Grantee shall submit to the IEDC on an annual basis, a Company Report, the form of which will be provided by the IEDC.

These reports will detail the progress made towards completing the Company Economic Impact Goals described at Exhibit A of this Agreement. The Grantee agrees that any job creation or retention goals set forth in the Company Economic Impact Goals may only be satisfied by Indiana resident employees. Grantee hereby authorizes the IEDC to verify such employment information with the appropriate state agencies, including without limitation the Indiana Department of Workforce Development and the Indiana Department of Revenue. The Grantee's submission of a report pursuant to another agreement with the IEDC shall be deemed to satisfy this requirement provided that the report contains the same information as the Company Report.

- B. The IEDC may periodically carry out a Monitoring Review (as defined below), including an evaluation of activities, as deemed appropriate. The Grantee shall effectively ensure the cooperation of its employees in such monitoring and evaluation efforts and shall produce all documentation reasonably requested by the IEDC evidencing the worker training conducted in relation to the Project or the progress made toward the Grantee's achievement of the Company Economic Impact Goals. The Grantee will take all actions necessary to correct or cure any findings identified by the IEDC during its monitoring and evaluation.
- C. If the IEDC elects to conduct an on-site monitoring review of the Project and its related training program (the "Monitoring Review"), the IEDC may withhold up to the Final Distribution Amount until such Monitoring Review is completed and the results analyzed. The Monitoring Review may document any or all of the following:
- (1.) Whether grant and matching funds allocated for the training activities were expended for activities consistent with the terms of this Agreement and Grantee's grant application.
 - (2.) A complete, detailed analysis of actual grant and matching funds expended to date on the training program for the Project and conformity with the amounts for any line item of the Budget (as defined in Paragraph 7).
 - (3.) A detailed listing of all training costs which are accrued yet unpaid, if any, in a format that may be prescribed by the IEDC;
 - (4.) A written evaluation as to the adequacy and veracity of Grantee's financial management and control systems necessary to verify the information submitted in the Company Reports and the worker training conducted; and
 - (5.) A written evaluation as to the Grantee's timely submission of Company Reports and Grantee's progress toward achieving the Company Economic Impact Goals.

The parties acknowledge that the Monitoring Review is only for the benefit of the IEDC and that the IEDC may elect, in whole or in part, to allow a payment to be made before the Monitoring Review has been completed.

- D. If grant funds are disbursed and this Agreement is terminated by either party prior to the Expiration Date, the IEDC may elect to conduct an on-site Monitoring Review of the training program for the Project, as described in Paragraph 4 of this Agreement.

5. PAYMENT OF GRANT FUNDS BY THE IEDC:

The payment of this grant by the IEDC to the Grantee shall be made in accordance with the following schedule and conditions:

- A. IEDC will reimburse the Grantee fifty percent (50%) of eligible training costs subject to the conditions and limitations set forth in this Agreement; provided that the funds available under this Agreement are expressly limited to the lesser of (i) the Pro-Rata Distribution Amount (as defined below) and (ii) the Maximum Grant Amount notwithstanding any other provision of this Agreement to the contrary. The IEDC may deobligate any grant funds which have not been expended and drawn down as of the Expiration Date.
- B. Prior to a payment disbursement, this Agreement must be fully executed.
- C. All payments will be made in arrears only upon presentation of approved and signed State of Indiana Claim Vouchers and in accordance with state fiscal policies and procedures and as required by Indiana Code § 4-13-2-14.8 by electronic funds transfer to the financial institution designated by the Grantee in writing unless a specific waiver has been obtained from the Auditor of the State, notwithstanding any other law, rule or custom to the contrary. Such claim vouchers must be submitted with a budget expenditure report detailing disbursements of the grant and matching funds if requested by the IEDC. If requested by the IEDC, Grantee shall further list expenditures by line items determined by the IEDC. The written authorization must designate a financial institution and an account number to which all payments are to be credited. For forms and additional information see the Auditor of State's website at www.in.gov/auditor/forms. No payments will be made in advance of receipt of the goods or services that are the subject of this Agreement except as permitted by Indiana Code § 4-13-2-20 or by Indiana Code § 5-28-7.
- D. In order to receive a payment, the Grantee shall provide the IEDC satisfactory evidence that the scheduled progress has occurred towards completion of the Project and the achievement of the Company Economic Impact Goals and that the conditions set forth or referenced in this Agreement have been met. Further, IEDC shall not disburse funds to the extent that the total funds disbursed under this Agreement exceeds the Pro-Rata Distribution Amount. The Pro-Rata Distribution Amount shall mean the Maximum Grant Award multiplied by the quotient of Grantee's current employment level of full-time Indiana resident employees at the Project Location and the employment level set forth in the Company Economic Impact Goals at the Expiration Date. In no event shall the IEDC be required to disburse a payment under this Agreement until the IEDC's determines that the scheduled progress has occurred toward the completion of the Project and the achievement of the Company Economic Impact Goals and that the disbursement will not result in grant funds being disbursed in excess of the Pro-Rata Distribution Amount, notwithstanding any other provision of this Agreement to the contrary.

- E. In the event that the Grantee fails to produce the evidence required by the IEDC under Paragraphs 4 or 5, the Grantee shall be deemed to be in material breach of this Agreement. In such instances, the IEDC may, in addition to its other remedies, (i) withhold authorization for any payment request of the grant funds until such time as the deficiency is corrected, (ii) require Grantee to immediately repay the IEDC any funds disbursed under this Agreement, or (iii) terminate the Agreement. If the IEDC is entitled to a repayment of the grant funds disbursed to the Grantee, IEDC may further impose sanctions against the Grantee including, but not limited to, the suspension of Grantee's participation in all other state grant or incentive programs until the IEDC is repaid or all material breaches are cured to the IEDC's satisfaction.
 - F. As set forth in Paragraph 4C, the IEDC may retain an amount of up to Final Distribution Amount until a final Monitoring Review has been completed in accordance with Paragraph 4 of this Agreement, which may include the IEDC's receipt of a report prepared by a duly authorized representative of the IEDC summarizing the Monitoring Review, detailing how funds have been spent on the training program for the Project in accordance with the Budget and evaluating the Grantee's timely progress.
 - G. Notwithstanding any other provision of this Agreement to the contrary, the reimbursement amount allowable for travel costs shall not exceed the lesser of (i) fifty percent (50%) of eligible costs and (ii) the amount eligible to be reimbursed for said costs under the State Travel Policies and Guidelines as specified in the State's most current Financial Management Circular (the "Circular"), which is hereby incorporated herein by reference but which may be amended from time to time.
- 6. EMPLOYMENT COMMITMENT:**
- A. As of the date of the Commencement Date, Grantee hereby certifies and reports that it employed the Base Employment Number at the Project Location. The Grantee acknowledges and agrees that the grant provided pursuant to this Agreement is conditioned upon the representations of the Grantee set forth in this Agreement, including without limitation the Company Economic Impact Goals. For purposes of Indiana Code § 5-28-6-6, the IEDC hereby expects, and the Grantee hereby agrees, that the Grantee will maintain until the Expiration Date an employment level of full-time Indiana resident employees at the Project location equal to or greater than eighty percent (80%) of Grantee's highest employment level reported to the IEDC. Thereafter and through the Reporting Period, the Grantee shall maintain at least (i) material operations of the Project at any site where grant funds are used and (ii) an employment level at the Project Location equal to or greater than the Base Employment Number.
 - B. In the event that the IEDC finds that the Grantee fails to maintain material operations of the Project at any site where grant funds were used or employ fewer full-time Indiana resident employees than the Grantee agreed to employ under this Paragraph 6A, the Grantee may be subject to a determination by the IEDC that the Grantee shall be required to repay the IEDC all or part of the funds disbursed under the Agreement, plus any reasonable collection costs and attorney's fees and all applicable interest and penalties. In the event that the

IEDC determines that the Grantee has ceased to maintain material operations of the Project at any site where grant funds were used or to employ at least the Base Employment Number of full-time Indiana resident employees, Grantee hereby agrees that a penalty requiring the repayment of all funds received under this Agreement plus any reasonable collection costs and attorney's fees and all applicable interest and penalties, would be fair, reasonable and balanced in proportion to the Grantee's default in light of expectations surrounding the grant's original award.

- C. Prior to making a final determination and only to the extent required by Indiana Code § 5-28-6-6, the IEDC shall hold a closed-door hearing to provide the Grantee an opportunity to prove its compliance or otherwise explain its noncompliance. The Grantee hereby consents and agrees that (i) the hearing under Indiana Code § 5-28-6-6 (or other applicable law) shall consist solely of the IEDC providing the Grantee a brief opportunity to prove its compliance or explain Grantee's non-compliance, either in person or telephonically, which opportunity shall occur no sooner than ten (10) days (unless waived by the Grantee) and no later than forty-five (45) days (unless waived by the IEDC) of the IEDC's delivery of written notice of Grantee's potential noncompliance, (ii) the hearing may be conducted at any time set by the IEDC during business hours (EST) and at the IEDC's principal office or within five (5) miles thereof or at such other time and location agreed upon by the parties; (iii) unless the IEDC and Grantee mutually consent to an alternative time or Grantee can demonstrate to the IEDC that exceptional circumstances prevented its attendance, Grantee's failure to attend the scheduled in-person or telephonic hearing, either through an authorized company representative or by counsel, shall be considered a full and irrevocable waiver of any right of the Grantee under Indiana Code § 5-28-6-6; and (iv) the aforementioned guidelines are reasonable, fair and consistent with Indiana Code § 5-28-6-6. Grantee hereby waives any right to a hearing under Indiana Code § 5-28-6-6 in the event of a default under Paragraph 22 or Paragraph 26l. Grantee further acknowledges that IEDC may temporarily impose a penalty to protect its legal interests, which penalty may be rescinded, adjusted or removed upon the completion of the hearing. The IEDC will consider written responses or materials of no more than ten (10) pages received no later than one (1) full business day prior to the scheduled hearing, which response shall act as a waiver of any right of the Grantee to a hearing unless the submission specifically and conspicuously states otherwise. After having been offered an opportunity for a hearing in writing under this paragraph, Grantee may waive in writing any right to a hearing or other further proceeding under Indiana Code § 5-28-6-6 at any time, and Grantee acknowledges and agrees that the provisions of Indiana Code § 5-28-6-6 shall apply only to a violation of this Paragraph 6. Grantee hereby acknowledges and agrees that notice mailed to the Grantee to the address set forth at Paragraph 18 shall fully satisfy any requirement of this Paragraph or Indiana Code § 5-28-6-6 unless the Grantee had previously notified the IEDC in writing of the Grantee's new mailing address.
- D. Any final penalty imposed by the IEDC under this Agreement shall be a matter of public record and shall state the total incentive received by the Grantee under this Agreement in a fair and balanced way. The IEDC may further disclose certain information relating to (i) any reduction or repayment of funds provided under this Agreement as a result of the Grantee's noncompliance, (ii) any

waivers or modifications of this Agreement, (iii) any hearings or determinations made pursuant to this Paragraph 9, and (iv) any other incentive information required to be disclosed by law.

7. ACCESS TO RECORDS:

- A. Grantee and its permitted subgrantees, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to costs incurred under this Agreement ("Records"), for inspection by the IEDC, the State of Indiana or by any of their respective authorized representatives, and reasonable requests for copies thereof shall be furnished to the IEDC and the State of Indiana if requested. Grantee and its permitted subgrantees, if any, shall make all Records available at their respective offices at all reasonable times during the term of this Agreement and for three (3) years from the date of final payment under this Agreement or until a state or federal audit has been completed and all audit exceptions cleared, whichever is earlier.
- B. If the IEDC determines that fraud or other criminal misconduct has occurred with disbursements made to Grantee, the IEDC will consider Grantee in default and will terminate this Agreement in accordance with Paragraph 21. Grantee will be responsible for reimbursement to the IEDC of the full amount granted to Grantee at the time of the termination.
- C. The IEDC, authorized representatives and staff of the IEDC have the right, at all reasonable times, to make site visits to: (1) review Project accomplishments and to confer with principals of the Grantee and permitted subgrantees, if any; (2) to audit Records and management control systems; and (3) to provide such technical assistance as may be required. If any site visit is made on the premises of Grantee or any subgrantee or contractor under this Agreement, Grantee shall provide and shall require its subgrantees and contractors to provide all reasonable facilities and assistance for the safety and convenience of the IEDC or its representatives in the performance of their duties. All site visits and evaluations shall be performed in such a manner that will not unduly delay the Grantee's operations or work on the Project. Grantee will be given at least one (1) week prior notice before any site visit.

8. PROJECT BUDGET AND BUDGET MODIFICATION:

Total projected training budget expenditures, inclusive of the grant funds, totals the Total Training Budget Commitment with the restrictions or pursuant to the line-items described at Exhibit A, if any (the "Budget"). If line-items are listed at Exhibit A, the Grantee shall not spend grant funds on more than the amount for each line item, as described in Budget, without the prior written consent of a duly authorized representative of the State, nor shall the training program cost restrictions be amended without prior written consent of the IEDC.

9. STATUTORY AUTHORITY OF GRANTEE:

As a condition of receiving a grant from the SEF Fund, Grantee expressly warrants to the IEDC that it is statutorily eligible to receive monies from the SEF Fund under Indiana Code § 5-28-7. Should any court of competent jurisdiction find Grantee legally ineligible, Grantee expressly agrees to repay all monies paid to it under this Agreement.

10. USE OF GRANT FUNDS BY GRANTEE:

Grant funds received by the Grantee pursuant to this Agreement shall be used only to reimburse the Grantee for instituting an approved SEF project permitted by Indiana Code § 5-28-7-2 or providing services in conformance with the Budget and no other purpose. The Grantee certifies that no other public funds from any source will be used to finance training activities reimbursed under this Agreement.

11. COMPLIANCE WITH LAWS:

- A. The Grantee agrees to comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment of any state or federal statute or the promulgation of regulations thereunder after execution of this Agreement shall be reviewed by the IEDC and the Grantee to determine whether the provisions of the Agreement require formal modification.
- B. The Grantee and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the Grantee and the State of Indiana, as set forth in Indiana Code § 4-2-6 *et seq.*, Indiana Code § 4-2-7 *et seq.*, the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the Grantee is not familiar with these ethical requirements, the Grantee should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission website at <http://www.in.gov/ethics/>. If the Grantee or its agents violate any applicable ethical standards, the IEDC may, in its sole discretion, terminate this Agreement immediately upon notice to the Grantee. In addition, the Grantee may be subject to penalties under Indiana Code § 4-2-6-12.
- C. The Grantee certifies by entering into this Agreement, that neither it nor its principal(s) is presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the IEDC or the State of Indiana. Further, the Grantee agrees that any payments in arrears and currently due to the IEDC or the State of Indiana may be withheld from payments due to the Grantee until the Grantee is current in its payments and has submitted proof of such payment to the IEDC.
- D. The Grantee warrants that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana pending, and agrees that it will immediately notify the IEDC of any such actions. During the term of such actions, Grantee agrees that the IEDC may delay, withhold, or deny grant funds otherwise available under this Agreement.
- E. If a valid dispute exists as to the Grantee's liability or guilt in any action initiated by the IEDC, the State of Indiana or its agencies, and the IEDC decides to delay, withhold, or deny funding to the Grantee, the Grantee may request that funding be continued. The Grantee must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties. Any payments that the IEDC may delay, withhold, deny, or apply under this paragraph shall not be subject to penalty or interest under Indiana Code § 5-17-5.

- F. The Grantee warrants that the Grantee and its contractors, if any, shall obtain and maintain all required permits, licenses, and approvals, as well as comply with all health, safety, and environmental statutes, rules, or regulations. Failure to do so is a material breach of the Agreement and grounds for delaying, withholding or denying grant funds under this Agreement.
- G. The Grantee hereby affirms that it is properly registered and owes no outstanding reports with the Indiana Secretary of State and that it is in good standing with the Indiana Department of Revenue. Grantee also affirms that (1) there are no outstanding enforcement actions against it by agencies of the State of Indiana, and (2) there are no significant workforce issues pending against the Grantee. The below named signatory(ies) hereby warrant that they are authorized to make such affirmations to the IEDC.
- H. Grantee agrees that the IEDC may confirm, at any time, that no liabilities exist to the IEDC or the State of Indiana, and, if such liabilities are discovered, that IEDC or the State of Indiana may bar Grantee from contracting with the IEDC or the State of Indiana in the future, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the IEDC or the State of Indiana and has submitted proof of such payment to the IEDC or the State of Indiana.

12. COMPLIANCE WITH TELEPHONE SOLICITATIONS ACT:

As required by Indiana Code § 5-22-3-7:

- A. the Grantee and any principals of the Grantee certify that
 - (1.) the Grantee, except for de minimis and nonsystematic violations, has not violated the terms of
 - (a.) Indiana Code § 24-4.7 [Telephone Solicitation of Consumers],
 - (b.) Indiana Code § 24-5-12 [Telephone Solicitations], or
 - (c.) Indiana Code § 24-5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if Indiana Code § 24-4.7 is preempted by federal law; and
 - (2.) the Grantee will not violate the terms of Indiana Code § 24-4.7 for the duration of the Agreement, even if Indiana Code § 24-4.7 is preempted by federal law.
- B. The Grantee and any principals of the Grantee certify that an affiliate or principal of the Grantee and any agent acting on behalf of the Grantee or on behalf of an affiliate or principal of the Grantee:
 - (1.) except for de minimis and nonsystematic violations, has not violated the terms of Indiana Code § 24-4.7 in the previous three hundred sixty-five (365) days, even if Indiana Code § 24-4.7 is preempted by federal law; and
 - (2.) will not violate the terms of Indiana Code § 24-4.7 for the duration of the Agreement, even if Indiana Code § 24-4.7 is preempted by federal law.

13. CONFLICT OF INTEREST:

- A. As used in this paragraph:

- (1.) "Immediate family" means the spouse and the unemancipated children of an individual.
 - (2.) "Interested party" means:
 - (a.) The individual executing this Agreement;
 - (b.) An individual who combined with his immediate family has an equity interest of one percent (1%) or more of the Grantee, if the Grantee is not an individual; or
 - (c.) Any member of the immediate family of an individual specified under subparagraph (1) or (2).
 - (3.) "Department" means the Indiana Department of Administration.
 - (4.) "Commission" means the State Ethics Commission.
- B. The Department may cancel this Agreement without recourse by the Grantee if any interested party (i) is an employee of the State of Indiana or the IEDC, (ii) is a state officer or special state appointee of the IEDC under Indiana Code § 4-2-6, or (iii) a public servant of the IEDC under Indiana Code § 35-44-1.
- C. The Department will not exercise its right of cancellation under subparagraph B above if the Grantee gives the Department an opinion by the Commission indicating that the existence of this Agreement and the employment, election or appointment by the State of Indiana of the interested party does not violate any statute or code relating to ethical conduct of state employees, officers and special state appointees of the IEDC. The Department may take action, including cancellation of this Agreement consistent with an opinion of the Commission obtained under this paragraph.
- D. Grantee has an affirmative obligation under this Agreement to disclose to the Department when an interested party is or becomes an employee, officer or special state appointee of the State of Indiana. The obligation under this paragraph extends only to those facts that the Grantee knows or reasonably could know.

14. DRUG-FREE WORKPLACE CERTIFICATION:

- A. The Grantee hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace during the term of this Agreement. Grantee will give written notice to the IEDC within ten (10) days after receiving actual notice that the Grantee, or an employee of the Grantee in the State of Indiana has been convicted of a criminal drug violation occurring in Grantee's workplace.
- B. It is further expressly agreed that a false certification, a violation of the certification or the failure of the Grantee to in good faith comply with the terms of this paragraph shall constitute a material breach of this Agreement and shall entitle the IEDC to impose, or may otherwise result in, sanctions against the Grantee including, but not limited to, suspension of grant payments, the termination of this Agreement and/or the debarment of the Grantee from doing further business with the IEDC and the State of Indiana for up to three (3) years.
- C. In addition to the provisions of above paragraphs, if the total Agreement amount set forth in the Agreement is in excess of Twenty-Five Thousand Dollars (\$25,000.00), Grantee hereby further agrees that this Agreement is expressly subject to the terms, conditions and representations of the following Certification:

This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. Pursuant to its delegated authority, the Indiana Department of Administration is requiring the inclusion of this certification in all grants with and grants from the State of Indiana in excess of \$25,000.00. No award of a grant shall be made, and no grant, purchase order or agreement, the total amount of which exceeds \$25,000.00, shall be valid, unless and until this certification has been fully executed by the Grantee and made part of the grant or agreement as part of the grant documents.

The Grantee certifies and agrees that it will provide a drug-free workplace by:

- (1.) Publishing and providing to all of its employees a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Grantee's workplace and specifying the actions that will be taken against employees for violations of such prohibition; and
- (2.) Establishing a drug-free awareness program to inform employees about:
 - (a.) The dangers of drug abuse in the workplace;
 - (b.) The Grantee's policy of maintaining a drug-free workplace;
 - (c.) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d.) The penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace.
- (3.) Notifying all employees in the statement required by subparagraph 1 above that as a condition of continued employment the employee will;
 - (a.) Abide by the terms of the statement; and
 - (b.) Notify the Grantee of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- (4.) Notifying in writing the IEDC within ten (10) days after receiving notice from an employee under subparagraph 3(b) above, or otherwise receiving actual notice of such conviction; and
- (5.) Within thirty (30) days after receiving notice under subparagraph 3(b) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace:
 - (a.) Take appropriate personnel action against the employee, up to and including termination; or
 - (b.) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purpose by a Federal, State or local health, law enforcement, or other appropriate agency; and

(6.) Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs 1 through 5 above.

15. FUNDING CANCELLATION CLAUSE:

When the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Agreement, the Agreement shall be canceled. A determination by the Budget Director that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

16. NOTICE OF SEVERE WORKFORCE REDUCTIONS:

During the term of this Agreement, the Grantee will provide the IEDC written notice at least sixty (60) days in advance of any reductions in workforce that will result in an employment loss for fifty percent (50%) or more of the employees at the Project Location.

17. NONDISCRIMINATION:

Pursuant to Indiana Code § 22-9-1-10, the Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, Grantee shall not discriminate against any employee or applicant for employment related to this Agreement with respect to the hire, tenure, terms, conditions, or privileges of employment or any matter directly or indirectly related to employment, because of the race, color, religion, sex, age disability, national origin or ancestry or status as a veteran. Breach of this covenant may be regarded as a material breach of contract. Acceptance of this Agreement also signifies compliance with applicable federal and state laws and regulations prohibiting the aforementioned discrimination in the provision of services.

18. NOTICE TO PARTIES:

Whenever any notice, statement or other communication is required under this Agreement, it shall be sent to the following address, unless otherwise specifically advised.

A. Notices to the IEDC shall be sent to:

INDIANA ECONOMIC DEVELOPMENT CORPORATION
Attention: Account Manager
Office of Development Finance
One North Capitol Avenue, Suite 700
Indianapolis, IN 46204-2288

B. Notices to the Grantee shall be sent to the Company Contract Administrator.

Notices, statements or other communications shall be deemed delivered when received. As required by Indiana Code § 4-13-2-14.8, payments to Grantee shall be made via electronic funds transfer in accordance with the instructions filed by the Grantee with the Indiana State Auditor's Office, unless an exception to such requirement is approved by the IEDC and the State of Indiana. Payments shall be deemed delivered upon being transmitted pursuant to the written instructions of the Grantee.

19. ORDER OF PRECEDENCE:

Any inconsistency or ambiguity in the Agreement shall be resolved by giving precedence in the following order: (1) this Agreement (including its exhibits), (2) IEDC guidelines, (3) all application requirements and guidelines, and (4) the applications on file with the IEDC relating to the Project.

20. RENEWAL OPTION:

Upon the request of the Grantee, the IEDC may extend or renew this Agreement under the same terms and conditions of this Agreement upon the request of the Grantee subject to the approval of the State Budget Director in compliance with Indiana Code § 5-22-17-4, which authority shall be in addition to the extension provisions set forth in Paragraph 2. The term of the renewed grant agreement may not be longer than the term of the original Agreement.

21. TERMINATION OF AGREEMENT:

This Agreement may be terminated with or without cause by the IEDC before its Expiration Date by sending the Grantee written notice via certified mail, return receipt requested, at least thirty (30) days prior to the date of termination. Upon receipt of this notice from the IEDC to the Grantee, no new or additional liabilities payable from grant funds shall be incurred without the prior written approval of the IEDC. The Grantee shall continue to be responsible and liable for the proper performance of its obligations to the date of termination. In the event of a termination, the IEDC will perform an on-site Monitoring Review of all training program expenditures, as described in Paragraph 4 of this Agreement, with respect to the Grantee's proper expenditure of all grant funds and matching funds through the date of termination. Notwithstanding anything set forth in this Agreement to the contrary, a termination shall not alter or affect the Grantee's obligations set forth in Paragraph 4 and Paragraph 5 that extend through the Reporting Period unless the parties specifically terminate those obligations through a mutually executed written agreement.

22. ASSIGNMENT:

This Agreement binds the Grantee's successors and assignees to all terms and conditions of this Agreement. Grantee shall not assign, subgrant or subcontract the whole or any part of the Project or the Agreement unless it has been approved in writing by the IEDC. The Grantee may not, through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, seek to avoid the observance or performance of its obligations to the IEDC under this Agreement.

23. HOLD HARMLESS:

Grantee shall indemnify, defend, and hold harmless the IEDC and the State of Indiana and their respective agents, officers, employees and representatives from all claims and suits for loss or damage to property, including the loss of use thereof, and injuries to or death of persons, including without limitation any officers, agents, employees and representatives of Grantee or its subgrantees or contractors, and from all judgments recovered therefor and for expenses in defending any such claims or suits, including court costs, attorneys' fees, and for any other expenses caused by an act or omission of Grantee and/or its subgrantees, contractors, agents, officers or employees in connection with performance of this Agreement. IEDC shall not provide any kind of indemnification to the Grantee.

24. DEBARMENT AND SUSPENSION:

Grantee certifies, by entering into this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Agreement by any federal agency or department, the IEDC, or agency or political subdivision of the State of Indiana. The term "principal" for purposes of this Agreement is defined as an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of Grantee.

25. PENALTIES; INTEREST; ATTORNEY'S FEES:

IEDC will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as authorized by Indiana law, in part, if applicable, Indiana Code § 5-17-5, Indiana Code § 34-54-8, and Indiana Code § 34-13-1. Notwithstanding the provisions contained in Indiana Code § 5-17-5, the parties hereto stipulate and agree that any liability resulting from any failure of the IEDC to make payments as required hereunder shall be based solely on the amount of funding originating from the IEDC or the State of Indiana and shall not be based on funding from federal or other sources or exceed the amount of the withheld payments.

26. MISCELLANEOUS.

- A. The headings in this Agreement are intended solely for convenience or reference and will be given no effect in the construction or interpretation of this Agreement.
- B. This Agreement, including any attached exhibits, supersedes all prior oral and written proposals and communications, if any, and sets forth the entire Agreement of the parties with respect to the subject matter hereof and may not be altered or amended except in writing, signed by an authorized representative of each party hereto.
- C. The construction and enforcement of this Agreement will be governed by the laws of the State of Indiana, without regard to principles of choice of law and the venue for any court action shall be the circuit or superior court of Marion County, Indiana or the United States District Court of the Southern District of Indiana and the Grantee hereby consents to the personal jurisdiction of said courts.
- D. No waiver of any default, failure to perform, condition, provision or breach of this Agreement will be deemed to imply or constitute a waiver of any other like default, failure to perform, condition, provision or breach of this Agreement.
- E. If any paragraph, term, condition or provision of this Agreement will be found, by a court of competent jurisdiction, to be invalid or unenforceable, or if any paragraph, term, condition or provision is found to violate or contravene the laws of the State of Indiana, then the paragraph, term, condition or provision so found will be deemed severed from this Agreement, but all other paragraphs, terms, conditions and provisions will remain in full force and effect.
- F. The parties to the Agreement, in the performance of this Agreement, will be acting in an individual capacity and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party

shall not be deemed or construed to be the employees or agents of any other party for any purposes whatsoever. No party will assume any liability for any injury (including death) to any persons, or any damage to any property arising out of the acts or omissions of the agents, employees or subagents of any other party.

- G. Grantee shall be responsible for providing all necessary unemployment and workers' compensation insurance for Grantee's employees.
- H. Unless otherwise terminated or modified as expressly permitted hereunder, this Agreement will remain in force during the term stated in Paragraph 2. Notwithstanding anything contained herein to the contrary, provisions of this Agreement, which by their nature contemplate rights and obligations of the parties to be enjoyed or performed after the expiration or termination of this Agreement, will survive until their purposes are fulfilled.
- I. IEDC may terminate the Agreement and the Grantee shall be obligated to repay any funds received under this Agreement if one or more of the following events occur; (1) Grantee makes an assignment, conveyance or surrender of the Project facilities for the benefit of creditors; (2) Grantee applies to any court for the appointment of a trustee or receiver of any substantial part of the assets of the same or commences any proceedings relating to any of the same under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, or other liquidation law of any jurisdiction; or (3) any application is filed or proceedings are commenced as described in subparagraph I(2) above against the Grantee and the Grantee indicates its approval, consent or acquiescence, or an order is entered appointing a trustee or receiver or adjudication of any of the same as a bankrupt or an insolvent or approving the petition in any such proceedings and such proceedings are not dismissed within sixty (60) days after the filing or commencement of such proceedings. This paragraph shall not be construed to limit the IEDC's ability to collect or the Company's obligation to repay any grant funds received under the Agreement, plus any applicable interest and penalties if one or more of the foregoing events occur.
- J. This Agreement may be executed through an original or a facsimile copy and in duplicate or through counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same agreement.

27. REPRESENTATIONS CONCERNING APPLICATION:

The Grantee represents and warrants that its representations, statements and all other matters contained in the materials submitted to the IEDC related to this grant were true and complete in all material respects at the time the information was submitted and remains true and complete as of the execution of this Agreement. It shall be considered a material breach of this Agreement if such representations, statements and other matters were not true and complete at the time the information was submitted or as of the execution of this Agreement, whichever the case may be.

28. AUTHORITY TO COMMIT TO AGREEMENT:

Notwithstanding anything in this Agreement to the contrary, the signatory for the Grantee represents that he/she has been duly authorized to execute contracts on behalf of the

Grantee and has obtained all necessary or applicable approvals from the office of the Grantee to make this Agreement fully binding upon the Grantee when his/her signature is affixed, and this Agreement is not subject to further acceptance by Grantee when accepted by the IEDC.

29. DISLOCATED WORKER PROGRAM

Grantee agrees to consider qualified dislocated workers who reside in Indiana and apply to the Grantee for available employment positions related to the Project. Grantee is also encouraged to post available job openings and to solicit applications by using <http://www.indianacareerconnect.com>, or such other resources promoted by the IEDC Dislocated Worker Program. Grantee understands that the provision of grant funds under this Agreement is contingent upon Grantee's compliance with this provision.

30. NON-COLLUSION AND ACCEPTANCE:

The undersigned representative of the Grantee attests, subject to the penalties for perjury, (i) that he/she is the contracting party, or that he/she is the duly authorized representative, agent, member or officer of the contracting party; (ii) that he/she has not, nor has any other member, employee, representative, agent or officer of the firm, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and (iii) that he/she has not received or paid any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face of the Agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

In Witness Whereof, Grantee and the Indiana Economic Development Corporation have, through duly authorized representatives, entered into this Agreement. The parties having read and understand the foregoing terms of this Agreement do by their respective signatures hereby agree to the terms thereof.

General Motors LLC

By: Michael Donovan
Printed: MICHAEL DONOVAN
Its: _____

DATE: 12-01-2010

INDIANA ECONOMIC DEVELOPMENT CORPORATION

E. MITCHELL ROOB, JR., Secretary of Commerce

DATE: _____

BY: [Signature]

ADAM M. HORST, DIRECTOR
The State Budget Agency

DATED: 1/10/11

In Witness Whereof, Grantee and the Indiana Economic Development Corporation have, through duly authorized representatives, entered into this Agreement. The parties having read and understand the foregoing terms of this Agreement do by their respective signatures hereby agree to the terms thereof.

General Motors LLC

By: _____

Printed: _____

Its: _____

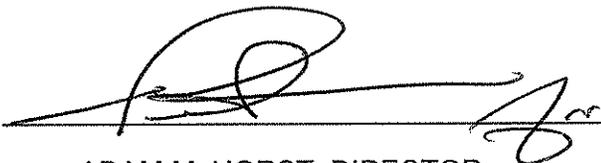
DATE: _____

INDIANA ECONOMIC DEVELOPMENT CORPORATION



E. MITCHELL ROOB, JR., Secretary of Commerce 

DATE: 12-10-10

BY:  _____

ADAM M. HORST, DIRECTOR
The State Budget Agency

DATED: 1/19/2011

GENERAL MOTORS LLC

EXHIBIT A

I. **Schedule of Terms.** The defined terms in the Skills Enhancement Fund Grant Agreement (the "Agreement") shall have the definitions set forth below:

A. "Base Employment Number" shall mean **833** full-time, permanent Indiana resident employees.

B. "Commencement Date" shall mean **June 02, 2009**.

C. "Company Contract Administrator" shall mean

**Mike Donovan
Controller
General Motors LLC
2400 West Second Street
Marion, Indiana 46952**

D. "Company Economic Impact Goals" shall mean the capital investment of at least **\$8,200,000** by **December 31, 2011**, the training of a minimum of **838** employees by **December 31, 2011** and the retention of Base Employment Number and the creation of net new full-time employee positions that were not previously performed by Company employees in Indiana resulting in the follow aggregate employment for each respective year:

<u>Calendar Year</u>	<u>Aggregate Indiana Employment at <u>Project Location</u></u>
December 31, 2009	883
December 31, 2010	883
December 31, 2011	883

E. "Expiration Date" shall mean **December 31, 2011** unless sooner terminated under the Agreement.

F. "Final Distribution Amount" shall mean **\$44,500.00** which is equal to twenty percent (20%) of the Maximum Grant Amount.

G. "Grantee" shall mean **General Motors LLC** and its affiliates and subsidiaries.

H. "Maximum Grant Amount" shall mean **\$222,500.00**.

- I. "Project" shall mean the project described in Section II of this Exhibit A.
 - J. "Reporting Period" shall mean the Commencement Date through **December 31, 2016**.
 - K. "Total Training Budget Commitment" shall mean **\$3,290,900.00** used for eligible training expenses.
- II. **Project Description.** The Project shall consist of the Company relocating its AA5X press line from a stamping facility in Michigan to its General Motors Marion Metal Center. The Project will be located at the following location: **Marion, Indiana** (the "Project Location").