

AGREEMENT

On _____, 2011, The City of Tecumseh, a Michigan Municipal Corporation, 309 East Chicago Blvd., Tecumseh, Michigan 49286, (the "City") by its City Manager Kevin Welch, and GLOV Enterprises, LLC, 200 Kirts Blvd., Suite A, Troy, Michigan 48084 ("GLOV") enter into the following agreement relative to the use of certain grant funds provided by the State of Michigan, Michigan Strategic Fund ("collectively State")

RECITALS

- A. GLOV operates a manufacturing plant located at 412 South Maumee Street, in the City.
- B. Working with the GLOV, the City entered into an Economic Development Grant Agreement ("Grant Agreement") with the Michigan Strategic Fund, the purpose of which is to obtain certain grant funds (the "Grant" or "Grant Funds") available through the Community Development Block Grant Program for economic development and job creation. *See Exhibit A.*
- C. The term of this Grant Agreement is two years (the "Term") .
- D. Pursuant to the Grant Agreement, GLOV, as the intended beneficiary, shall use the Grant Funds to purchase machinery and equipment to be utilized at GLOV's Tecumseh plant. *See Attachment B to the Grant Agreement.*
- E. The Grant is for up to three hundred sixty thousand dollars (\$360,000), but in no case shall the amount of Grant Funds used by GLOV exceed thirty-three percent (33%) of the cost of the machinery and equipment purchased by GLOV.
- F. Pursuant to the terms of the Grant Agreement, the use of the grant funds will create

up to sixty (60) new jobs at the Tecumseh plant, of which at least fifty-one percent (51%) shall be held by low and moderate income people.

- G. The Grant Agreement requires certain milestones to be achieved and reports to be filed with the State by the City during the Term of the Grant Agreement. The purpose of this agreement is to delineate the responsibilities of the GLOV with respect to these requirements.
- H. As the beneficiary of the Grant, representatives of GLOV have executed an Acknowledgment and Certification of Beneficiary form included with the Grant Agreement.

Now therefore, in consideration of the City of Tecumseh's approval of GLOV's grant application, it is agreed as follows:

1. **Obligations of GLOV.** GLOV shall be obligated to perform the following acts in conformance with all requirement of the State as set forth in the Grant Agreement, which both parties hereby incorporate by reference. Further, both parties agree that they are each obligated to assist each other in meeting the obligations and requirements set forth therein.
2. **Cost of Environmental Survey.** In the event it becomes necessary to complete an Environmental Assessment to complete the Environmental Review Record, GLOV agrees that any costs associated with the completion of the environmental survey shall be the its sole responsibility.
3. **Repayment of Grant.** In any case where the City and/or GLOV is required to repay to the State any or all of the grant amount, GLOV shall remain solely responsible for the full repayment amount. GLOV shall indemnify and hold the City harmless for

the repayment of the grant.

- 4. Retention of Records.** Both the City and GLOV agree that they shall retain all financial records, supporting documents, statistical records, and all other pertinent records for a period of three (3) years. The retention period starts from the date of the States's acceptance and approval of the final audit report.

WITNESSES:

GLOV Enterprises, LLC

By:
Its:

City of Tecumseh

By: Kevin Welch
Its: City Manager

EXHIBIT A
ECONOMIC DEVELOPMENT GRANT AGREEMENT