

RESOLUTION NO. _____

A RESOLUTION (I) TO MAKE CERTAIN FINDINGS RELATING TO THE NEW MANUFACTURING FACILITY PROJECT TO BE CONSTRUCTED, EQUIPPED AND OPERATED BY A TO-BE-FORMED SUBSIDIARY OF GESTAMP NORTH AMERICA, INC. ("GESTAMP SUBSIDIARY") IN THE ENTERPRISE SOUTH INDUSTRIAL PARK (THE "PROJECT"), (II) TO AUTHORIZE THE MAYOR TO ENTER INTO AND EXECUTE AN AGREEMENT FOR PAYMENTS IN LIEU OF AD VALOREM TAXES WITH THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA (THE "BOARD"), THE GESTAMP SUBSIDIARY, AND HAMILTON COUNTY, TENNESSEE WITH RESPECT TO THE PROJECT (THE "PILOT AGREEMENT"), AND (III) TO DELEGATE CERTAIN AUTHORITY TO THE BOARD RELATING TO THE PILOT AGREEMENT

WHEREAS, Gestamp North America, Inc. is contemplating the formation of a new subsidiary (the "Gestamp Subsidiary") for the purposes of constructing, equipping and operating a new manufacturing facility in the Enterprise South Industrial Park in Chattanooga, Hamilton County, Tennessee (the "Project"), which will require the acquisition of real property (the "Real Property") currently leased by Volkswagen Group of America Chattanooga Operations, LLC ("VW") from The Industrial Development Board of the City of Chattanooga (the "Board"); and

WHEREAS, VW has indicated its intent to release the Real Property from the lease with the Board in order for the Board to lease the Real Property to the Gestamp Subsidiary so that it can be used by the Gestamp Subsidiary for the Project; and

WHEREAS, pursuant to Tennessee Code Annotated, Section 7-53-305(b), the City of Chattanooga (the "City") is permitted to delegate to the Board the authority to negotiate and accept payments in lieu of ad valorem taxes from lessees of the Board upon a finding by the City that such payments are deemed to be in furtherance of the Board's public purposes; and

WHEREAS, because of the substantial public benefits to the City and Hamilton County, Tennessee (the "County") resulting from the Project, Gestamp North America, Inc. ("Gestamp NA") has asked the Board, the City Council and the Board of Commissioners of the County to approve certain payments in lieu of ad valorem taxes with respect to the Project (the "In Lieu Payments"); and

WHEREAS, the City Council has determined that payments in lieu of ad valorem taxes from a project such as the Project would be in furtherance of the Board's public purposes, as set forth in Chapter 53 of Title 7 of the Tennessee Code Annotated;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, AS FOLLOWS:

RESOLVED, that we do hereby find that substantial benefits to the City economy will be derived from the Project and that the In Lieu Payments contemplated under the PILOT Agreement will be in furtherance of the Board's public purposes; and

BE IT FURTHER RESOLVED, that, having made such findings, we do hereby approve the PILOT Agreement in the form attached to this Resolution and do hereby authorize the Mayor to enter into the PILOT Agreement on behalf of the City, such PILOT Agreement to be substantially in the form attached to this Resolution, with such changes thereto as he shall approve; and

BE IT FURTHER RESOLVED, that the Board is hereby delegated with the authority to negotiate and accept In Lieu Payments from the Gestamp Subsidiary, it being further noted that this delegation is for this purpose and for this Project only; and

BE IT FURTHER RESOLVED, that we do hereby authorize the Board to enter into such PILOT leases as the Board shall deem to be necessary as a result of the PILOT Agreement.

**BE IT FURTHER RESOLVED THAT THIS RESOLUTION TAKE EFFECT
FROM AND AFTER ITS PASSAGE, THE PUBLIC WELFARE REQUIRING IT.**

ADOPTED: June ____, 2015.

**AGREEMENT FOR PAYMENTS IN LIEU
OF AD VALOREM TAXES**

THIS AGREEMENT (the “Agreement”) is made and entered into as of this the ____ day of _____, 2015, by and among **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA** (the “Board”); **GESTAMP CHATTANOOGA II, LLC** (, the “Company”); the **CITY OF CHATTANOOGA** (the “City”); and **HAMILTON COUNTY** (the “County”) and is joined in, for purposes of evidencing their acceptance of the agency relationship established herein, by **WILLIAM F. HULLANDER and his successors, acting in the capacity of HAMILTON COUNTY TRUSTEE** (the “Trustee”), and by **WILLIAM C. BENNETT and his successors, acting in the capacity of HAMILTON COUNTY ASSESSOR OF PROPERTY** (the “Assessor”).

WITNESSETH:

WHEREAS, the Company is contemplating (i) the acquisition of certain real property in Chattanooga, Hamilton County, Tennessee, as more particularly described on Exhibit A attached hereto and incorporated herein (the “Land”); (ii) the construction upon the Land of a new manufacturing facility (the “Real Property Improvements”) (the Land and the Real Property Improvements shall be collectively referred to as the “Real Property”) to be owned and operated by the Company; and (iii) the acquisition of machinery, equipment and other personal property, as more particularly described on Exhibit B attached hereto and incorporated herein (the “Personal Property”) (the Personal Property and the Real Property shall be collectively referred to as the “Property,” and the Real Property Improvements and the Personal Property shall be referred to as the “Project”), resulting in an investment of at least \$39.1 million and the creation of at least 136 full-time jobs which jobs shall have an average hourly wage (excluding benefits) equal to at least \$17.00 between January 1, 2017 and January 1, 2020 (collectively the “Investment, Jobs and Wage Projection”), and has requested the Board’s assistance with the Project; and

WHEREAS, Gestamp Chattanooga, LLC, a Delaware limited liability company (“Related Company”), an entity related to the Company is contemplating the construction and operation of a complementary facility on a separate site located in the Enterprise South Industrial Park (“Related Project”), which will result in an investment of at least One Hundred Forty Million Nine Hundred Thousand Dollars (\$140,900,000.00) and the creation of at least 374 full-time jobs which shall have an average hourly wage (excluding benefits) equal to at least \$17.00 between January 1, 2017 and January 1, 2020 (collectively, the “Related Project Investment, Jobs and Wage Projection”) upon terms and conditions to be set forth in that certain Agreement for Payments In Lieu of Ad Valorem Taxes of even date herewith by and among Related Company and the other parties to this Agreement, except the Company (the “Related PILOT Agreement”); and

WHEREAS, substantial economic benefits to the City and County economies will be derived from the Project and the Related Project; and

WHEREAS, the Board has agreed to hold title to the Property, together with all additions thereto, replacements thereof, and substitutions therefor and (i) to lease the Real

Property to the Company pursuant to a Real Property Lease Agreement (the “Real Property Lease:”), to be entered into between the Board and the Company, and (ii) to lease the Property to the Company pursuant to a Personal Property Lease Agreement (the “Personal Property Lease”), to be entered into between the Board and the Company (the Real Property Lease and the Personal Property Lease collectively called the “Leases”); and

WHEREAS, because the Property is to be owned by the Board, which is a public corporation organized under the provisions of Tennessee Code Annotated, § 7-53-101, *et seq.*, the Property will be exempt from ad valorem property taxes (“property taxes”) normally paid to the City and to the County, so long as the Property is owned by the Board, pursuant to the provisions of Tennessee Code Annotated, § 7-53-305; and

WHEREAS, for the public benefit of the citizens of the City and the County, the Board has requested that the Company make certain payments to the Board in lieu of the payment of property taxes that would otherwise be payable on the Property; and

WHEREAS, the Company has agreed to make such payments to the Board in lieu of the property taxes otherwise payable on the Property (the “In Lieu Payments”), as more particularly set forth hereinafter; and

WHEREAS, the Board has been authorized to receive the In Lieu Payments in lieu of property taxes by resolutions adopted by the City and the County, acting through their duly elected Council and Commission, respectively, which resolutions delegate to the Board the authority to accept the In Lieu Payments upon compliance with certain terms and conditions, including, without limitation, the requirement that the Board collect and expend such payments in furtherance of the public purposes for which the Board was created; and

WHEREAS, the Company and the Board have agreed that all In Lieu Payments made to the Board by the Company shall be paid to the City of Chattanooga Treasurer (the “Treasurer”) and the Trustee, who shall disburse such amounts to the City and the County in accordance with the requirements specified herein; and

WHEREAS, the Board wishes to designate the Assessor as its agent to appraise the Property and assess a percentage of its value in the manner specified herein; and

WHEREAS, the Board wishes to designate the Treasurer and the Trustee as its agents to receive the In Lieu Payments in accordance with the terms of this Agreement;

NOW, THEREFORE, IN CONSIDERATION OF the mutual covenants and agreements set forth herein, the parties hereto agree as follows:

1. Designation of Assessor; Appraisal and Assessment of Property. The Board hereby designates the Assessor as its agent to appraise and assess the Property. The Assessor shall appraise and assess the Property in accordance with the Constitution and laws of the State of Tennessee as though the Property were subject to property taxes. The Assessor shall give the Treasurer, the Trustee, the Board, and the Company written notice of any changes in appraisals of the Property in the same manner that notices are given to owners of taxable

property. The Assessor shall make available to the Board and the Company all records relating to the appraisal and assessment of the Property.

2. Computation and Billing of Payments In Lieu of Taxes. The Board hereby designates the Treasurer and the Trustee and as its agents to compute the amounts of the In Lieu Payments, to receive such payments from the Company and to disburse such payments to the City and the County. On or about October 1 of each year during the term of this Agreement, the Treasurer and the Trustee shall compute the taxes which would be payable on the Property if it were subject to property taxes, in accordance with the Constitution and laws of the State of Tennessee and in accordance with the appraisal and assessment of the Assessor. Each year hereunder, the Treasurer and the Trustee shall send the Board and the Company a bill for appropriate amount of In Lieu Payments (the “Tax Bill”).

3. Payments in Lieu of Taxes. After receipt of the Tax Bill, the Company shall pay to the Treasurer and the Trustee the amount indicated on the Tax Bill which amount shall be determined in accordance with the provisions set forth below in Paragraph 4. The In Lieu Payments shall be made by the Company in lieu of the property taxes which would otherwise be payable on the Property if it were subject to property taxes.

4. Amount of Payments by the Company. For the ten (10) year period covering and inclusive of years 2017 through 2026 (the “Tax Abatement Period”), the Company shall make In Lieu Payments with respect to the Project in an amount, as determined by the Assessor, the Treasurer and the Trustee, equal to the following percentage of the taxes that would have been payable on the Project if it were subject to property taxes for the respective years shown:

Year	City General Fund	County General Fund	County School Fund
2017	0%	0%	100%
2018	25%	25%	100%
2019	40%	40%	100%
2020	50%	50%	100%
2021	50%	50%	100%
2022	50%	50%	100%
2023	50%	50%	100%
2024	50%	50%	100%
2025	50%	50%	100%
2026	50%	50%	100%

For the avoidance of doubt, the parties intend that the Company shall make (i) In Lieu Payments in an amount equal to one hundred percent (100%) of all ad valorem taxes that would be dedicated to the support of the County school system, which the Company and County acknowledge and agree currently equates to 49.64% of the amount of the total County taxes that would have been payable on the Project if it were subject to property taxes (the “School Portion”), and (ii) In Lieu Payments in an amount equal to the above graduated amounts for all

other ad valorem taxes of the City and the County, excluding the educational portion of the County ad valorem taxes.

For any of its portion of the Property other than the Project, the Company shall make In Lieu Payments in an amount, as determined by the Assessor, the Treasurer and the Trustee, equal to one hundred percent (100%) of the amount of taxes that would have been payable on such portion of the Property if it were subject to property taxes, except to the extent that a portion of such Property is subject to another agreement for payments in lieu of taxes with the City, the County and the IDB. For the avoidance of doubt, the parties intend that the reduced In Lieu Payments under this Agreement shall only apply to new investment in the Property that is undertaken pursuant to this Agreement.

For any periods before the Tax Abatement Period or after the Tax Abatement Period that the Property is owned by the Board and leased to the Company, the Company shall make In Lieu Payments in an amount, as determined by the Assessor, the Treasurer and the Trustee, equal to one hundred percent (100%) of the amount of taxes that would have been payable on the Property if it were subject to property taxes, except to the extent that a portion of such Property is subject to another agreement for payments in lieu of taxes with the City, the County and the IDB.

Notwithstanding the above, any amounts assessed as property taxes against the Property shall be credited against any In Lieu Payments due under this Agreement.

5. Penalties and Late Charges. The Company shall make its In Lieu Payments for each year during the term before March 1 of the following year. All In Lieu Payments shall be subject to penalties, late charges, fees and interest charges as follows:

(a) If the Company fails to make its In Lieu Payment when due, and such failure to pay shall continue and not be fully paid within thirty (30) days after written notice of such non-payment has been provided to the Company, then a late charge shall be charged and shall also be immediately due and payable. The late charge shall be in the amount of one and one-half percent (1-1/2%) of the owed amount. Additional late charges of one and one-half percent (1-1/2%) of the amount shall accumulate and become immediately due and payable upon the expiration of each subsequent thirty (30) day period when there remains any outstanding unpaid amount.

(b) If the Company should fail to pay all amounts and late charges due as provided hereinabove, then the Board, the City or the County may bring suit against the Company in the Chancery Court of Hamilton County to seek to recover the In Lieu Payments due, late charges, expenses and costs of collection in addition to reasonable attorneys' fees.

6. Minimum Requirements; Annual Review; Increase in Amount of In Lieu Payments.

(a) Minimum Requirements. The Company must meet one hundred percent (100%) of the Minimum Job Requirement and the Minimum Investment Requirement by January 1, 2020 (the "Determination Date") and during each calendar year thereafter during the Tax Abatement Period. For purposes of this Section, the "Minimum Jobs Requirement" equals

One Hundred Nine (109) full-time jobs, and the “Minimum Investment” equals \$31,280,000 (Thirty-one Million Two Hundred Eighty Thousand Dollars). In addition, the Related Company must meet one hundred percent (100%) of the “Related Project Minimum Jobs Requirement” equal to 300 full-time jobs, and the “Related Project Minimum Investment Requirement” equal to One Hundred Twelve Million Seven Hundred Twenty Thousand Dollars (\$112,720,000.00) by the Determination Date as set forth in the Related PILOT Agreement.

(b) Annual Employment Review. If (i) the Company fails to achieve the Minimum Jobs Requirement or (ii) the Related Company fails to achieve the Related Project Minimum Jobs Requirement during the calendar year in which the Determination Date occurs or during in any calendar year thereafter during the Tax Abatement Period, the City and the County reserve the right but are not obligated to increase the amount of the general fund In Lieu Payments applicable to the Project and to the Related Project for the same calendar year in which such failure occurs by a percentage equal to 100% less the “Company’s Job Performance” or the “Related Company’s Job Performance,” as applicable, for such calendar year (the “Job In Lieu Payment Percentage Increase”). The “Company’s Job Performance” or the “Related Company’s Job Performance,” as applicable, for any calendar year means the proportion, expressed as a percentage, that the average number of full-time jobs actually maintained by the Company or the Related Company, as applicable, bears to the Minimum Job Requirement. In no event shall the Company’s annual General Fund In Lieu Payments exceed one hundred percent (100%) of the general fund taxes that would be assessed against the Project if it were subject to general fund taxes.

Example 1:

Total number of full-time jobs as of January 1, 2020 = 120

Minimum Job Requirement = 109

No increase in In Lieu Payments for 2020

(Minimum Job Requirement has been exceeded)

Example 2:

Total number of full-time jobs as of January 1, 2020 = 100

Minimum Job Requirement = 109

Company’s Job Performance = 91.7%

Job In Lieu Payment Percentage Increase for 2020 = 8.3%

(In Lieu Payment Percentages for 2020 for City General Fund and County General Fund may each be increased by 8.3%)

(c) Annual Investment Review. If (i) the Company fails to achieve the Minimum Investment Requirement or (ii) the Related Company fails to achieve the Related Project Minimum Investment Requirement, during the calendar year in which the Determination Date occurs or during in any calendar year thereafter during the Tax Abatement Period, the City and the County reserve the right but are not obligated to increase the amount of the general fund In Lieu Payments applicable to the Project and to the Related Project for the same calendar year in which such failure occurs by a percentage equal to 100% less the “Company’s Investment Performance” or the “Related Company’s Investment Performance,” as applicable, for such

calendar year (the “Investment In Lieu Payment Percentage Increase”). The “Company’s Investment Performance” or the “Related Company’s Job Performance,” as applicable, for any calendar year means the proportion, expressed as a percentage, that the actual aggregate capital investment made by the Company or the Related Company, as applicable, through the end of such calendar year, including all capital investment made in the preceding calendar years in connection with the Project or the Related Company, as applicable, bears to the Minimum Investment Requirement. In no event shall the Company’s annual General Fund In Lieu Payments exceed one hundred percent (100%) of the general fund taxes that would be assessed against the Project if it were subject to general fund taxes.

Example 3:

Total amount of capital investment through January 1, 2020 = \$35,000,000

Minimum Investment Requirement = \$31,280,000

No increase in In Lieu Payments for 2020 (Minimum Investment Requirement has been exceeded)

Example 4:

Total amount of capital investment through January 1, 2020 = \$30,000,000

Minimum Investment Requirement = \$31,280,000

Company’s Investment Performance = 95.9%

Investment In Lieu Payment Percentage Increase for 2020 = 4.1%

(In Lieu Payment Percentages for 2020 for City General Fund and County General Fund may each be increased by 4.1%)

Such formula shall be evaluated on an annual basis until the Minimum Investment Requirement has been met or exceeded, whereupon no further evaluations or increase in the amount of the In Lieu Payments pursuant to this Section 6(c) shall occur.

(d) Single Adjustment Regarding Tax Abatement; Issuance of Supplemental Bill to the Company. If both the annual employment review under Section 6(b) and the investment review under Section 6(c) for any calendar year indicate an increase in the In Lieu Payments for the same calendar year in which such failure occurs, and if the City and the County elect to increase the In Lieu Payments for such calendar year, then the City and the County shall determine whether the increase under Section 6(b) or Section 6(c) shall apply, which shall be the sole remedy for a shortfall in the Investment, Jobs and Wage Projection. The increase under Section 6(b) and Section 6(c) shall not be combined. If the City and the County increase the amount of the In Lieu Payments pursuant to the annual employment review under Section 6(b) for any calendar year, then they may not, in the same year, also increase the amount of the In Lieu Payments pursuant to Section 6(c), and vice versa. For example, using Examples 2 and 4 shown above, the City and the County may elect to either (i) increase the amount of the In Lieu Payments to the City General Fund and the County General Fund under Section 6(b) by 8.3% or (ii) increase the amount of the In Lieu Payments to the City General Fund and the County General Fund under Section 6(c) by 4.1%. In accordance with the foregoing and once a determination has been made of the Jobs In Lieu Payment Percentage Increase or the Investment In Lieu Payment Percentage Increase, whichever is determined to be applicable, the Treasurer

and the Trustee shall compute the amount of the additional In Lieu Payment resulting therefrom and will issue a supplemental bill to the Company for that payment.

(e) Credit for Related Project “Excess” Minimum Job Requirement and/or Minimum Investment Requirement. For each calendar year, prior to increasing the In Lieu Payments arising from the Company’s failure to meet the Minimum Job Requirement or the Minimum Investment Requirement, there shall be added to the Company’s job or investment figures for the same calendar year the amount, if any, by which the Related Company’s “Total number of full-time jobs as of January 1” or “Total amount of capital investment through January 1” exceed the Related Company’s Minimum Job Requirement or Minimum Investment Requirement calculated pursuant to the Related PILOT Agreement. The combined number of the Company’s and the Related Company’s “excess” full-time jobs as of January 1 shall be the number used for the purpose of determining whether the Company has met the Minimum Job Requirement for that calendar year. The same procedure shall be followed with respect to the “excess” amount above the Related Company’s Minimum Investment Requirements for the same calendar year. The purpose of this Section 6(e) shall be to treat the Project and the Related Project as a single facility for the purpose of measuring whether the combined Minimum Job Requirement and/or the combined Minimum Investment Requirement has been satisfied for each calendar year.

(f) Project Closure. In the event the Project or the Related Project closes or moves from the County during the Tax Abatement Period, the City and the County reserve the right to immediately terminate the tax abatements provided by this Agreement and require the partial repayment of amounts that would have been payable on the Property during the Tax Abatement Period as if it were subject to property taxes. The provisions of this subsection (e) shall be the sole remedy for a closure or relocation of the Project or the Related Project.

7. Disbursements by the Treasurer and Trustee. All sums received by the Treasurer pursuant to Paragraph 3 for the benefit of the City general fund shall be disbursed to the general funds of the City in accordance with this paragraph and in accordance with the normal requirements of law governing the settlement and paying over of taxes to counties and municipalities. All sums received by the Trustee pursuant to Paragraph 3 for the benefit of the County general fund shall be disbursed to the general fund of the County in accordance with this paragraph and in accordance with the normal requirements of law governing the settlement and paying over of taxes to counties and municipalities. All such sums received by the Treasurer shall be placed into an account for the use and benefit of the City. All such sums received by the Trustee shall be divided into an account for the use and benefit of the County. The account for the use and benefit of the City shall be funded with the proportionate amount to which the In Lieu Payments are attributable to property taxes which would otherwise be owed to the City, and the account for the use and benefit of the County shall be funded with the proportionate amount to which the In Lieu Payments are attributable to property taxes which would otherwise be owed to the County. All sums received by the Trustee pursuant to Paragraph 3 for the benefit of the County school system shall be disbursed to the County and thereafter deposited into an account for the educational use and benefit of the County schools. The parties acknowledge and agree that all disbursements to the City and County pursuant to this Agreement are in furtherance of the Board’s purposes as set forth in Tennessee Code Annotated § 7-53-305.

8. Economic Development Lease Payment

(a) City of Chattanooga. For each calendar year beginning with 2017 in which the In Lieu Payment Percentage as to the City General Fund (see chart in Section 4) is less than 100%, an economic development lease payment (an “Economic Development Payment”) equal to 15% of the City property taxes that would otherwise be payable for such year on the Project if it were subject to property taxes as calculated by the Treasurer pursuant to Section 2 above shall be computed and collected by the Treasurer; provided, however, in no event shall the total of the Company’s annual City General Fund In Lieu Payments plus the Economic Development Payment to the City exceed one hundred percent (100%) of City general fund taxes that would be assessed against the Project if it were subject to general fund taxes. Beginning in 2017, this Economic Development Payment will be paid for each year that the Property is owned by the Board through and including 2026 if the In Lieu Payment Percentage as to the City General Fund (see chart in Section 4) for such calendar year is less than 100%. If the Board’s ownership ceases during any calendar year, then that year’s Economic Development Payment will be prorated. The Treasurer shall add the Economic Development Payment as a separate line item on the Tax Bill, and the Company shall pay the Economic Development Payment for each such year during the term before March 1 of the following year. Any failure to pay the Economic Development Payment on or before March 1 shall result in penalties and late charges calculated in the same manner as penalties and late charges are calculated for In Lieu Payments under this Agreement.

The Treasurer shall disburse the City’s Economic Development Payment to the City of Chattanooga’s Industrial Development Board. The City of Chattanooga’s Industrial Development Board shall hold such funds to be used for economic development purposes, as directed by the Mayor of the City.

(b) Hamilton County. For each calendar year beginning with 2017 in which the In Lieu Payment Percentage as to the County General Fund (see chart in Section 4) is less than 100%, an Economic Development Payment to the County equal to 12.53% of the total of the County general fund property taxes and the County school fund property taxes that would otherwise be payable for such year on the Project if it were subject to property taxes as calculated by the Trustee pursuant to Section 2 above, shall be computed and collected by the Trustee; provided, however, in no event shall the total of the Company’s annual County General Fund In Lieu Payments plus the Economic Development Payment to the County exceed one hundred percent (100%) of the County general fund taxes that would be assessed against the Project if it were subject to general fund taxes. Beginning in 2017, this Economic Development Payment will be paid for each year that the Property is owned by the Board through and including 2026 if the In Lieu Payment Percentage as to the County General Fund (see chart in Section 4) for such calendar year is less than 100%. If the Board’s ownership ceases during any calendar year, then that year’s Economic Development Payment will be prorated. The Trustee shall add the Economic Development Payment as a separate line item on the Tax Bill, and the Company shall pay the Economic Development Payment for each such year during the term before March 1 of the following year. Any failure to pay the Economic Development Payment on or before March 1 shall result in penalties and late charges calculated in the same manner as penalties and late charges are calculated for In Lieu Payments under this Agreement.

The Trustee shall not deduct any part of the Economic Development Payment from the School Portion of the In Lieu Payments. The Trustee shall disburse the County's Economic Development Payment to the County, and the County shall hold such funds to be used for economic development purposes as directed by the Mayor of the County.

9. Contest by the Company. The Company shall each have the right to contest the appraisal or assessment of the Property by the Assessor, the computation by the Treasurer and the Trustee of the amount of the In Lieu Payment and the calculation of the Economic Development Payments. If the Company contests any such appraisal or assessment, then it shall present evidence to the Assessor in favor of its position. If the In Lieu Payments, or the Economic Development Payments, as applicable, being contested shall be or become due and payable, the Company shall make such payments under protest. The Company and the Assessor, the Treasurer or the Trustee, as the case may be, shall negotiate in good faith for a period not to exceed sixty (60) days to resolve any disputes as to appraisal, assessment or computation of the In Lieu Payment or the Economic Development Payments, as applicable. If the Company and the Assessor, the Treasurer or the Trustee, as the case may be, are unable to resolve a dispute, then the Company may file suit in the Chancery Court of Hamilton County to ask that the provisions of this Agreement, including those covering appraisal, assessment and computation, be construed or applied to the relevant facts by the Chancery Court in order to resolve such dispute.

10. Lien on the Property. Any amounts which remain payable under this Agreement shall become a lien on the Property, and such lien shall be enforceable against the Property in the event that any payment owing hereunder is not timely made in accordance with this Agreement.

11. Term. This Agreement shall become effective on the date that the Board leases the Property to the Company and shall continue for so long as the Board holds title to any of the Property and leases such property to the Company or the Company has made all payments required hereunder, whichever shall later occur.

12. Leasehold Taxation. The Board, the City, the County, the Treasurer, the Trustee and the Assessor acknowledge and agree that the Company's personal property leasehold interest in the Personal Property under the Leases shall not be subject to assessment for ad valorem tax purposes. The Board, the City, the County, the Treasurer, the Trustee and the Assessor further acknowledge and agree that the Company's real property leasehold interests in the Real Property Improvements under the Leases is not expected to be subject to assessment for ad valorem tax purposes, as all amounts paid by the Company, including without limitation, rent under the Leases, costs for maintenance, insurance, utilities, infrastructure, site preparation, acquisition, construction, and other costs for or in connection with the Project, cost of capital for or in connection with the Project, and obligations of the Company under the Leases would, at the present time, be considered as rent payable under the Leases for purposes of determining the Company's leasehold interests. As a result, the actual or imputed rent for the real property portion of the Property is expected to equal or exceed the fair market rent for purposes of Tenn. Code Ann. § 67-5-605. If the leasehold interest of the Company in the Property should be subject to ad valorem taxation for any year hereunder, then any amounts assessed as taxes thereon shall be credited against any In Lieu of Tax Payments and Economic Development

Payments paid under this Agreement and carried forward from year to year until fully utilized. Additionally, in the event the Company determines, in the exercise of reasonable discretion, that there is a possibility, notwithstanding the foregoing agreement, of a positive taxable leasehold interest in the Property, the Company shall have the continuing option to require the Board take all reasonable steps, at no additional cost to the Board, to restructure this Agreement and the related Lease to eliminate the positive leasehold value and to deliver the same economic benefit to the Company as is contemplated under this Agreement without the imposition of any ad valorem taxes on such leasehold value. Such options may include, but are not limited to, an arrangement by which the Board issues and the Company purchases industrial revenue bonds to finance all or a portion of the Property, provided that such bonds shall be limited obligations of the Board and non-recourse to the City and the County.

13. Notices, etc. All notices and other communications provided for hereunder shall be written (including facsimile transmission and telex), and mailed or sent via facsimile transmission or delivered addressed as follows:

Board	Wade A. Hinton City Attorney City of Chattanooga Suite 200, 100 E. 11 th Street Chattanooga, Tennessee 37402
The City:	Wade A. Hinton City Attorney City of Chattanooga Suite 200, 100 E. 11 th Street Chattanooga, Tennessee 37402
The County:	Rheubin M. Taylor County Attorney Hamilton County Government Room 204, County Courthouse Chattanooga, Tennessee 37402
With a Copy to:	Miller & Martin PLLC 832 Georgia Avenue Suite 1000, Volunteer Building Chattanooga, Tennessee 37402 Attention: Evan Allison
Company:	Gestamp North America, Inc. 2701 Troy Center Drive, Suite 150 Troy, Michigan 48084 Attn: James Barry

With a Copy to:	Gestamp Chattanooga II, LLC 3063 Hickory Valley Road Chattanooga, Tennessee 37421 Attn: Corey Jahn
With a Copy to:	Baker, Donelson, Bearman, Caldwell & Berkowitz 1800 Republic Centre 633 Chestnut Street Chattanooga, Tennessee 37450 Attn: Louann Smith
The Assessor	Hamilton County Assessor of Property Hamilton County Courthouse Chattanooga, Tennessee 37402
The Treasurer:	City of Chattanooga Treasurer 101 East 11 th Street Chattanooga, TN 37402
The Trustee	Hamilton County Trustee Hamilton County Courthouse Chattanooga, Tennessee 37402

Any such person may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communication shall be sent. All such notices and communications shall, when mailed by registered and certified mail, return receipt requested, Express Mail, or facsimile, be effective when deposited in the mails or if sent upon facsimile transmission, confirmed electronically, respectively, addressed as aforesaid.

14. No Waiver; Remedies. No failure on the part of any party hereto, and no delay in exercising any right under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise thereof or the exercise of any other right. The remedies provided in this Agreement are cumulative and are not exclusive of any remedies provided by law.

15. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by any court or jurisdiction, the invalidity of any such clause or provision shall not affect any of the remaining provisions of this Agreement.

16. No Liability of Board's Officers. No recourse under or upon any obligation, covenant or agreement contained in this Agreement shall be had against any incorporator, member, director or officer, as such, of the Board, whether past, present or future, either directly or through the Board. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such incorporator, member, director or officer, as such, is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement.

17. Binding Effect. This Agreement shall be binding upon and inure to the benefit of each of the parties and signatories hereto and to their respective successors and assigns.

18. Governing Law. The Agreement shall be governed by, and construed in accordance with, the laws of the State of Tennessee.

19. Amendments. This Agreement may be amended only in writing, signed by each of the parties hereto, except that the Treasurer, the Trustee and the Assessor shall not be required to join in amendments unless such amendments affect their respective duties hereunder.

20. Annual Report. On or before January 31 of each year this Agreement is in effect, the Company shall provide a report to the Mayor of the City and the Mayor of the County summarizing its investment in the Property and the development and operation of the Project for purposes of analyzing the Company's progress in achieving the Investment, Jobs and Wage Projection.

21. Stormwater Fees. The Company shall be responsible for all stormwater fees assessed by the City against the Property.

[Signature Pages Follow]

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

ATTEST:

**THE INDUSTRIAL DEVELOPMENT BOARD
OF THE CITY OF CHATTANOOGA**

By: _____
Secretary

By: _____
Chairman

GESTAMP CHATTANOOGA II, LLC,
a Delaware limited liability company

By: _____

Name: _____

Title: _____

CITY OF CHATTANOOGA, TENNESSEE

By: _____
Mayor

HAMILTON COUNTY, TENNESSEE

By: _____
County Mayor

WILLIAM F. HULLANDER

By: _____
Hamilton County Trustee

WILLIAM C. BENNETT

By: _____
Hamilton County Assessor of Property

EXHIBIT "A"
TO PILOT AGREEMENT

LAND

[59.87 acre parcel]

EXHIBIT “B”
TO PILOT AGREEMENT

PERSONAL PROPERTY

During the Tax Abatement Period, the Project shall include all machinery, equipment and other tangible personal property that is installed or otherwise located on or about or used in connection with the real property described in Exhibit A attached to this Agreement between January 1, 2017 and January 1, 2026, together with replacements thereof and substitutions therefor, in connection with the Company’s operations on such property.

Prepared by and when recorded return to:
Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C.
1800 Republic Centre
633 Chestnut Street
Chattanooga, Tennessee 37450-1800
Attention: Louann Prater Smith, Esquire

MEMORANDUM OF REAL PROPERTY LEASE AGREEMENT

This MEMORANDUM OF REAL PROPERTY LEASE AGREEMENT (the “Memorandum”) dated as of _____, 2015 (the “Effective Date”), by and between **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA** (“Lessor”), a Tennessee public corporation, and **GESTAMP CHATTANOOGA II, LLC** (“Lessee”), a Delaware limited liability company;

WITNESSETH:

That in consideration of the rents, covenants, and conditions more particularly set forth in a certain Real Property Lease Agreement of even date herewith between Lessor and Lessee (the “Lease”), Lessor and Lessee do hereby covenant, promise and agree as follows:

1. Lease Real Property. Pursuant to the Lease, Lessor has leased to Lessee that tract of real property located in the Enterprise South Industrial Park in Chattanooga, Hamilton County, Tennessee, now designated as a portion of Tract One – Mega Site One and containing 59.87 acres, such real property being more particularly described on Exhibit A attached hereto and by this reference made a part hereof, together with the buildings and other improvements now or hereafter constructed or installed by the Company on such Real Property during the Lease Term, together with any additions and accessions thereto, replacements thereof and substitutions therefore (such real property and improvements collectively called the “Property”), title to which Property has been or will be conveyed by Lessee to Lessor.

2. Term. The term of the Lease commenced on the Effective Date and will terminate on December 31, 2026 (the “Lease Term”).

3. Option to Purchase the Property. Lessee, or its assignee, has the option to purchase the Property or any part of the Property at any time and from time to time during the Lease Term or within three hundred sixty-five (365) days after the termination or expiration of the Lease Term or termination of the Lease as to a part of the Property for any reason whatsoever, including without limitation an event of default by Lessee, for the purchase price, in each case, of One Dollar (\$1.00). This option may be exercised whether or not Lessee is in default under the Lease and whether or not the Lessor is exercising or has exercised any of its rights or remedies with respect to such default.

4. Effect of Memorandum. The sole purpose of this Memorandum is to give notice of the Lease and its terms, covenants and conditions to the same extent as if the Lease were fully set forth herein. This Memorandum shall not modify in any manner the terms, conditions or

intent of the Lease and the parties agree that this Memorandum is not intended nor shall it be used to interpret the Lease or determine the intent of the parties under the Lease.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

[The Industrial Development Board of the City of Chattanooga– Signature Page to Memorandum of Real Property Lease Agreement]

IN WITNESS WHEREOF, The Industrial Development Board of the City of Chattanooga has executed this Memorandum of Real Property Lease Agreement as of the date first written above.

LESSOR:

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA

By: _____
Title: _____

ATTEST:

By: _____
Title: _____

STATE OF TENNESSEE
COUNTY OF HAMILTON

Before me, _____, a Notary Public in and for said State and County aforesaid, duly commissioned and qualified, personally appeared _____ and _____, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that they are respectively the _____ and _____ of **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA**, and are authorized to execute this instrument on behalf of such Board.

WITNESS my hand, at office, this ____ day of _____, 2015.

Notary Public

My Commission Expires:

[Gestamp Chattanooga II, LLC – Signature Page to Memorandum
of Real Property Lease Agreement]

IN WITNESS WHEREOF, Gestamp Chattanooga II, LLC has executed this Memorandum of Real Property Lease Agreement as of the date first written above.

LESSEE:

GESTAMP CHATTANOOGA II, LLC

By: _____

Title: _____

STATE OF _____
COUNTY OF _____

Before me, _____, a Notary Public in and for said State and County aforesaid, duly commissioned and qualified, personally appeared _____, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the _____ of **GESTAMP CHATTANOOGA II, LLC**, and is authorized to execute this instrument on such limited liability company.

WITNESS my hand, at office, this ____ day of _____, 2015.

Notary Public

My Commission Expires:

EXHIBIT A
TO
MEMORANDUM OF REAL PROPERTY LEASE AGREEMENT

Legal Description

REAL PROPERTY LEASE AGREEMENT

THIS REAL PROPERTY LEASE AGREEMENT (the "Agreement"), made and entered into as of _____, 2015, by and among **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA** (the "Board"), a public corporation duly created and existing under the laws of the State of Tennessee; and **GESTAMP CHATTANOOGA II, LLC**, a Delaware limited liability company authorized to do business in Tennessee (the "Company").

WITNESSETH:

In consideration of the respective covenants and agreements hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Board and the Company agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. The following terms when used in this Agreement, unless the context shall clearly indicate another or different meaning or intent, shall be construed as follows:

"Act" means the Tennessee Industrial Development Corporations Act of 1955, Chapter 210 of the Public Acts of 1955, as codified in Tennessee Code Annotated Sections 7-53-101 et seq., as heretofore amended and as hereafter amended from time to time.

"Act of Bankruptcy" means the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceeding) by or against the Company or the Board under any applicable bankruptcy, insolvency or similar law as now or hereafter in effect.

"Agreement" means this Lease Agreement as it now exists and as it may hereafter be amended.

"Board" means The Industrial Development Board of the City of Chattanooga, a public corporation duly created and existing under the Act, and its successors and assigns.

"City" means the City of Chattanooga, Tennessee.

"County" means Hamilton County, Tennessee.

The terms "default" and "event of default" mean any occurrence or event specified in Section 10.01 hereof.

"Facility" means the manufacturing facility to be operated by the Company on the Real Property.

"Improvements" means the buildings and other improvements now or hereafter constructed or installed by the Company on the Real Property during the Lease Term (together with any additions and accessions thereto, replacements thereof and substitutions therefor).

"Lease Term" means the term of this Agreement as set forth in Section 5.01.

The term "pending" with respect to any proceedings commenced by an Act of Bankruptcy means that such proceedings have not been dismissed, or are subject to further appeal.

"Permitted Encumbrances" shall mean those matters listed on attached Exhibit B and any other matters that become Permitted Encumbrances in accordance with the provisions of this Agreement.

"PILOT Agreement" means the Agreement for Payments in Lieu of Ad Valorem Taxes entered into of even date herewith among the Board, the Company, the City and the County.

"Project" means the acquisition, construction and installation of the Real Property and Improvements.

"Property" means collectively the Real Property and the Improvements.

"Real Property" means that tract of real property located in the Enterprise South Industrial Park in Chattanooga, Hamilton County, Tennessee, now designated as a portion of Tract One – Mega Site One containing 59.87 acres, such real property being more particularly described on attached Exhibit A.

ARTICLE II CERTIFICATIONS

Section 2.01 Certifications, Representations and Warranties by Board. The Board makes the following certifications, representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Board is a public corporation of the State of Tennessee, duly organized and existing under the provisions of the Act. The Act authorizes the Board to acquire

land, buildings, machinery and equipment and related facilities and to own, lease and dispose of the same for the purpose of maintaining and increasing employment opportunities by promoting industry, trade and commerce and by inducing manufacturing, industrial and commercial enterprises to locate in or remain in the State of Tennessee. The Board is authorized to act in furtherance of such purposes. The Board is authorized to act in furtherance of such purposes within the boundaries of the City and the County. The Board has full power and has been duly authorized to enter into this Agreement and the PILOT Agreement and to consummate the transactions contemplated by this Agreement and the PILOT Agreement in accordance with their respective terms. When executed and delivered by the parties thereto, this Agreement and the PILOT Agreement will constitute the valid and binding obligations of the Board enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by (i) applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally, or (ii) general principles of equity, whether considered in a proceeding at law or in equity.

(b) The Board has found and does hereby declare that the Project and the leasing of the Property to the Company will increase employment in the City and the County, and will be in furtherance of the public purposes for which the Board was created.

(c) The Board has been induced to enter into this undertaking by the promises of the Company to acquire, construct, equip and operate the Facility in the City, the County and the State of Tennessee.

(d) There are no actions, suits, proceedings, inquiries or investigations pending, or to the knowledge of the Board threatened, against or affecting the Board in any court or before any governmental authority or arbitration board or tribunal, which involve the possibility of materially and adversely affecting the transactions contemplated by this Agreement or which, in any way, would materially and adversely affect the validity or enforceability of this Agreement or any agreement or instrument to which the Board is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or thereby.

Section 2.02 Certifications, Representations and Warranties by Company. The Company makes the following certifications, representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company, duly formed under the laws of the State of Delaware and authorized to do business in the State of Tennessee, in good standing under its organizational documents, has full power and authority to enter into this Agreement and to perform all obligations contained herein and therein, and has, by proper company action, been duly authorized to execute and deliver this Agreement on its behalf and, when executed and delivered by the parties thereto, this Agreement will constitute the valid and binding obligation of the Company enforceable in accordance with its terms, except as the enforceability thereof may be limited by (i) applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights

generally, or (ii) general principles of equity, whether considered in a proceeding at law or in equity.

(b) The agreement of the Board to own the Property and lease the Property to the Company induced the Company to locate the Facility in the City and the County, which will increase employment in the City and the County.

(c) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated herein by the Company, nor the fulfillment of or compliance with the terms and conditions of this Agreement, conflicts or will conflict with or result in a breach of the terms, conditions or provisions of any company restriction or internal governing document of the Company or any agreement or instrument to which the Company is now a party or by which it is bound, or any existing law, rule, regulation, judgment, order or decree to which it is subject, or constitutes a default under any of the foregoing or, except as contemplated hereby, results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Company under the terms of any instrument or agreement.

(d) There are no proceedings pending, or to the knowledge of the Company threatened, against or affecting the Company in any court or before any governmental authority, arbitration board or tribunal which would be likely to materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company, or the ability of the Company to perform its obligations under this Agreement. The Company is not in default with respect to an order of any court, governmental authority, arbitration board or tribunal.

(e) No event has occurred and no condition exists with respect to the Company that would constitute an "event of default" under this Agreement, or which, with the lapse of time or with the giving of notice, or both, would become such an "event of default".

ARTICLE III
LEASING CLAUSES; WARRANTY OF TITLE

Section 3.01 Lease of Property. The Board hereby leases to the Company, and the Company hereby leases from the Board, the Property, for the consideration set forth in Section 5.03 hereof and in accordance with the provisions of this Agreement. The Real Property and Improvements are subject to the Permitted Encumbrances. All items of the Improvements from time to time constructed or installed at the Real Property following the date of acquisition of the Real Property by the Board and during the Lease Term by or at the direction of the Company pursuant to the Company's obligations under Section 4.01 shall automatically and without further action by any party become the property of the Board, shall be leased to the Company pursuant to this Agreement and shall be included in the term "Improvements" as used in this Agreement. The Board and the Company shall enter into such amendments or supplements to this Agreement as shall be necessary or desirable in connection with the acquisition, construction and installation of the Real Property and the Improvements.

Section 3.02 Title. The Board will obtain upon the acquisition thereof good and marketable title to the Property, free from all encumbrances other than Permitted Encumbrances.

Section 3.03 Quiet Enjoyment. The Board covenants and agrees that, subject to the Permitted Encumbrances, it will warrant and defend the Company in the quiet enjoyment and peaceable possession of the Property, free from all claims of all persons whatsoever, throughout the Lease Term, so long as the Company shall perform the covenants, conditions and agreements to be performed by it hereunder, or so long as the period for remedying any default in such performance shall not have expired. If the Board shall at any time be called upon to defend the title to the Property for claims not created by, through or for the Board, it shall not be required to incur any costs or expenses in connection therewith unless indemnified to its satisfaction against all such costs and expenses. The parties agree that the leasehold interest conveyed hereby is an in rem interest of record that burdens and runs with the land and will not be affected or extinguished by a sale of the Property or any part thereof under U.S. Bankruptcy Code Section 363(f).

ARTICLE IV
ACQUISITION, CONSTRUCTION AND INSTALLATION OF PROPERTY

Section 4.01 Agreement to Acquire, Construct and Install Property. The Company agrees that:

(a) It will cause title in and to the Property to be vested in the Board, subject to the Permitted Encumbrances.

(b) It will acquire, construct and install the Property in the name of and on behalf of the Board.

- (c) It will complete the Project as promptly as practicable.

ARTICLE V

EFFECTIVE DATE; DURATION OF LEASE TERM; CONSIDERATION

Section 5.01 Effective Date of this Agreement; Duration of Lease Term. This Agreement shall become effective upon its delivery, and the leasehold estate created hereunder shall then begin, and, subject to the other provisions of this Agreement, shall expire at midnight, December 31, 2026 (the "Lease Term").

Section 5.02 Delivery and Acceptance of Possession. The Board agrees to deliver to the Company sole and exclusive possession of the Property upon the date of acquisition by the Board from time to time of such Property, and the Company agrees to accept possession of the Property upon such delivery.

Section 5.03 Consideration for Lease; Rental. In consideration of the lease granted hereunder the Company agrees that it will do the following and will pay all costs and expenses of the following as rental due under this Agreement:

(a) Acquire, construct and install the Property as described in Section 4.01 hereof;

(b) Operate the Facility for its own benefit and for the benefit of the citizens of the County and the City (provided that only the Board shall have any rights with respect to the Facility and only to the extent provided in this Agreement, and only the Board shall have the right to enforce this Agreement);

(c) Make the payments required of it under the PILOT Agreement;
and

(d) Make the payments and fulfill the obligations set forth in Sections 6.01, 6.03, 6.04, 6.05 and 6.06 of this Agreement and any other provisions of this Agreement, regardless of whether such payments or obligations are specifically designated as rental..

ARTICLE VI

MAINTENANCE: MODIFICATION: TAXES AND INSURANCE

Section 6.01 Maintenance and Modification of Property by Company. The Company agrees that throughout the term of this Agreement it will, at its own expense, keep the Property (i) in as reasonably safe condition as its operations shall permit, and (ii) in good repair and in good operating condition, normal wear and tear and obsolescence excepted, making from time to time all necessary repairs thereto and renewals and replacements thereof as the Company shall determine to be necessary for the operation of the Facility.

Section 6.02 Removal of Improvements. The Board shall not be under any obligation to renew, repair or replace any inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary Improvements constituting a part of the Property. In any instance where the Company in its sole discretion determines that any items of the Improvements have become inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary, the Company may remove such items of the Improvements and (on behalf of the Board) sell, trade-in, exchange or otherwise dispose of them (as a whole or in part) without any responsibility or accountability to the Board therefor.

Section 6.03 Taxes, Other Governmental Charges and Utility Charges. The Board and the Company acknowledge, and the Board represents and warrants to the Company, that under present law and provided that title is vested in the Board, the Property will be exempt from ad valorem property taxation in the State of Tennessee pursuant to the terms set forth in the PILOT Agreement. Without limitation of the preceding sentence, the Company will pay, as the same become lawfully due and payable, (i) all other taxes and governmental charges of any kind whatsoever upon or with respect to the Property and (ii) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property by the Company.

The Company may, at its own expense and in its own name, in good faith contest any such taxes, assessments or other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom. The Board will cooperate fully with the Company in any such contest.

Section 6.04 Maintenance of Insurance. Throughout the term of this Agreement, the Company shall keep the Property continuously insured against such risks and in such amounts as are reasonably determined by the Company. The Company shall pay all premiums in respect to such coverages as the same become due. All insurance proceeds with respect to the Property shall be payable to the Company.

Section 6.05 Indemnification of Board. To the extent caused by the Company, the Company shall and hereby agrees to indemnify and save the Board and its officers, directors, agents, servants and employees harmless from and against all claims by or on behalf of any person, firm or corporation arising from the conduct or management of, or from any work or thing done on, on the Property during the Lease Term, and against and from all claims arising during the term of this Agreement, from

- (a) any condition of the Property caused by the Company;
- (b) any breach or default on the part of the Company in the performance of any its obligations under this Agreement; and
- (c) any act of negligence of the Company or of any agents, contractors, servants, employees or licensees of the Company.

To the extent caused by the Company, the Company shall indemnify and save the Board and its officers, directors, agents, servants and employees harmless from and against all costs and expenses incurred in or in connection with any action or proceeding brought thereon, and, upon notice from the Board, and to the extent caused by the Company, the Company shall defend the Board and any such officer, director, agent, servant or employee or any of them in any such action or proceeding.

Section 6.06 Board Expenses. In addition to other payments required to be made by the Company hereunder, the Company shall pay any reasonable expenses not specifically mentioned herein which are incurred by the Board in connection with the Project or this Agreement.

Section 6.07 Depreciation and Investment Credit. The Board covenants and agrees that all depreciation expenses, other tax deductions and investment tax credits, if any, with respect to the Property shall be made available to the Company, and the Board will fully cooperate with the Company in any effort by the Company to avail itself of any such depreciation expenses, other tax deductions or investment tax credits, but the Board shall have no responsibility or liability for failure of the Company to receive any such expenses, deductions or credits.

ARTICLE VII DAMAGE, DESTRUCTION AND CONDEMNATION

Section 7.01 Damage and Destruction. If during the Lease Term the Property or any part thereof is damaged by fire or other casualty, the Board shall cause the proceeds received by it from insurance to be paid to the Company.

Section 7.02 Condemnation of Property. If title in and to, or the temporary use of, the Property or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Board shall cause the proceeds received by it from any award made in such eminent domain proceeding to be paid to the Company.

The Board shall cooperate fully with the Company in the handling and conduct of any prospective or pending eminent domain proceeding with respect to the Property or any part thereof and shall, to the extent it may lawfully do so, permit the Company to litigate in any such proceeding in the name and on behalf of the Board. In no event will the Board voluntarily settle, or consent to the settlement of, any prospective or pending eminent domain proceeding with respect to the Property or any part thereof without the written consent of the Company.

ARTICLE VIII
SPECIAL COVENANTS

Section 8.01 No Warranty of Condition or Suitability by Board. The Board makes no warranty, either express or implied, as to the condition of the Property or that it will be suitable for the purposes or needs of the Company. The Company releases the Board from, agrees that the Board shall not be liable for, and agrees to hold the Board and its officers, directors, agents, servants and employees harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Property or the use thereof. The members of the Board of Directors of the Board shall incur no liability either individually or collectively by reason of the obligations undertaken by the Board hereunder.

Section 8.02 Identification of Improvements. The Company will at all times maintain in its permanent records a complete list of the Improvements constituting a part of the Property, which will specifically identify each item of such Improvements as being property of the Board.

ARTICLE IX
ASSIGNMENT, SUBLEASING, PLEDGING AND SELLING

Section 9.01 Assignment or Subleasing. This Agreement may be assigned and the Property be subleased, as a whole or in part, (including collateral assignments, leasehold mortgages and similar pledges) by the Company without the prior written consent of the Board provided that:

(a) Unless authorized in writing by the Board, no assignment or subleasing shall relieve the Company from primary liability for any of its obligations hereunder, and, in the event of any such assignment or subleasing, the Company shall continue to remain primarily liable for performance and observance of the agreements on its part herein provided to be performed and observed by it to the same extent as though no assignment or subleasing had been made.

(b) The assignee or sublessee shall assume the obligations of the Company hereunder to the extent of the interest assigned or subleased.

Section 9.02 Restrictions on Sale of the Property by Board. The Board agrees that, except for transactions effected in accordance with Section 11.03 hereof or pursuant to a request from the Company, it will not sell, assign, mortgage, transfer or convey the Property or any part thereof during the Lease Term or create or suffer to be created any debt, lien or charge on the rents, revenues or receipts arising out of or in connection with its ownership of the Property, and it will not take any other action which may reasonably be construed as tending to cause or induce the levy or assessment of ad valorem taxes; provided, that if the laws of the State

of Tennessee at the time shall permit, nothing contained in this Section shall prevent the consolidation of the Board with, or merger into, or transfer of the Property as an entirety to, any public corporation whose property and income are not subject to taxation and which has corporate authority to carry on the business of owning, leasing and selling of the Property; provided that such consolidation, merger or transfer shall be authorized by the governing body of the City and shall be subject to the Permitted Encumbrances.

ARTICLE X
EVENTS OF DEFAULT AND REMEDIES

Section 10.01 Events of Default Defined. The following shall be "events of default" under this Agreement, and the terms "event of default" or "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by the Board or the Company to observe and perform any covenant, condition or agreement on its part to be observed or performed, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the defaulting party by the other party, unless the one giving notice shall agree in writing to an extension of such time prior to its expiration. If a failure under this Section 10.01(a) is such that it can be corrected but not within the applicable period, it shall not constitute an event of default if appropriate corrective action is instituted within the applicable period and diligently pursued until the default is corrected.

(b) A voluntary Act of Bankruptcy or an Act of Bankruptcy which, if resulting from the filing or commencement of involuntary proceedings against the Company or the Board, is not dismissed or discharged within sixty (60) days of the filing or commencement thereof.

The foregoing provisions of subsection (a) of this Section are subject to the following limitations: if by reasons of force majeure, the Board or the Company is unable in whole or in part to carry out the agreements on its part herein referred to, the failure to perform such agreements due to such inability shall not constitute an event of default nor shall it become an event of default upon appropriate notification or the passage of the stated period of time. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; act of public enemies; orders of any kind of the government of the United States of America or of the State of Tennessee or any of their respective departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires, hurricanes, tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Board or the Company, as the case may be. To the extent within the control of the Board or the Company, as applicable, such party agree, however, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements; provided, that the settlement of

strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Board or the Company, as the case may be, and the Board and the Company shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the Board or the Company, unfavorable to it.

Section 10.02 Remedies on Default. Whenever any event of default referred to in Section 10.01 hereof shall have occurred and be subsisting, the Board or the Company, as the case may be, may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant under this Agreement.

ARTICLE XI OPTIONS IN FAVOR OF COMPANY

Section 11.01 Options to Terminate. The Company shall have the following options to cancel or terminate the Lease Term and this Agreement:

(a) At any time, the Company may terminate the Lease Term by giving written notice to the Board of such termination.

(b) At any time, the Company may terminate this Agreement as to a part of the Property by giving written notice to the Board of such termination, and such termination shall forthwith become effective as to that part of the Property.

Section 11.02 Option to Purchase Property. Upon any termination or expiration of the Lease Term or termination of this Agreement as to all or a portion of the Property (including any termination following an event of default) and for three hundred sixty-five (365) days thereafter, the Company shall have, and is hereby granted, the continuing option to purchase the Property or that part of the Property as to which the Agreement has been terminated, as the case may be, for the purchase price, in each case, of One Dollar (\$1.00). This option may be exercised whether or not the Company is in default hereunder and whether or not the Board is exercising or has exercised any of its right or remedies with respect to such default.

Section 11.03 Conveyance on Exercise of Option. Upon exercise of any option granted above, the Board will, upon receipt of the purchase price, deliver to the Company documents conveying to the Company title to the Property or part of the Property, as the case shall be, by appropriate deeds and bills of sale, subject only to

(a) the Permitted Encumbrances and those liens and encumbrances, if any, to which title to said Property was subject when conveyed to the Board;

(b) those liens and encumbrances created by or with the consent of the Company; and

(c) those liens and encumbrances resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Agreement.

Section 11.04 Survival of Rights; Possession and Use of Property Pending Expiration of Option. All provisions of this Article XI shall survive the expiration of the Lease Term or the termination of this Agreement. Notwithstanding anything in this Agreement to the contrary, the Company shall have the right to retain the possession and use of the Property under the terms of this Agreement until the expiration of its rights under Article XI, regardless of any expiration or termination of the Lease Term or this Agreement.

Section 11.05 Granting of Easements, etc. From time to time during the Lease Term, the Company may request the Board, at the expense of the Company: (i) to enter into or modify with the Company such easements, covenants, waivers, approvals or restrictions for utilities, parking, access (i.e., ingress and/or egress) or other matters as the Company may desire for the operation of the Facility (or for the benefit of any property adjacent or proximate to the Real Property and the Improvements (collectively, "Easements") or (ii) to dedicate or transfer minor non-essential unimproved portions of the Real Property for road, highway or other purposes (the "Dedications"). Any consideration received for any such Easement or Dedication shall be paid to and be the sole property of the Company. The Board will promptly execute, acknowledge and deliver any and all documents, instruments and agreements requested by the Company with respect to any such Easements or Dedications.

ARTICLE XII
MISCELLANEOUS

Section 12.01 Notices. All notices, certificates or other communications under this Agreement shall be sufficiently given if in writing and delivered personally, sent by overnight courier service by a company regularly engaged in the business of delivering business packages (such as Federal Express or UPS), or sent by U.S. certified mail, postage prepaid, in each case to the other party at the address set forth below, or at such other address as may be specified by notice in writing from time to time by either party to the other. The date of any such notice and of service thereof shall be deemed to be three (3) business days after deposit in certified mail, one (1) day following deposit with an overnight courier as set forth above, or upon the date of personal delivery.

Board: The Industrial Development Board of the City of
Chattanooga
100 E. 11th Street, Suite 200
Chattanooga, Tennessee 37402
Attention: Wade A. Hinton

Company: Gestamp North America, Inc.
2701 Troy Center Drive, Suite 150
Troy, Michigan 48084
Attn: James Barry

With a Copy to: Gestamp Chattanooga II, LLC
3063 Hickory Valley Road
Chattanooga, Tennessee 37421
Attn: Corey Jahn

With a Copy to: Baker, Donelson, Bearman, Caldwell & Berkowitz,
P.C.
1800 Republic Centre
633 Chestnut Street
Chattanooga, Tennessee 37450
Attention: Louann Prater Smith, Esquire

Any such person may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communication shall be sent.

Section 12.02 Amendment. This Agreement may be amended only in writing, signed by the Board and the Company.

Section 12.03 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Company, the Board, and their respective successors and assigns.

Section 12.04 Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 12.05 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12.06 Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope, extent or intent of any provision or Section hereof.

Section 12.07 Applicable Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Tennessee without reference to principles of conflicts of laws.

Section 12.07 Recorded Memorandum. This Agreement shall not be recorded. However, the parties shall enter into a memorandum of this Agreement, in the form attached as Exhibit C, which shall be recorded.

[Signatures Appear on the Following Pages]

[The Industrial Development Board of the City of Chattanooga– Signature Page to Real Property Lease Agreement]

IN WITNESS WHEREOF, The Industrial Development Board of the City of Chattanooga has executed this Real Property Lease Agreement as of the date first written above.

BOARD:

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF
CHATTANOOGA

By: _____
Title: _____

ATTEST:

By: _____
Title: _____

[Gestamp Chattanooga II, LLC – Signature Page to
Real Property Lease Agreement]

IN WITNESS WHEREOF, Gestamp Chattanooga II, LLC has executed this Real Property Lease Agreement as of the date first written above.

COMPANY:

GESTAMP CHATTANOOGA II, LLC

By: _____
Title: _____

EXHIBIT "A"
TO
REAL PROPERTY LEASE AGREEMENT

Legal Description of Real Property

A portion of Tract One – Mega Site One, Enterprise South Industrial Park in the City of Chattanooga, Hamilton County, Tennessee, and being more particularly described as follows:

[INSERT METES & BOUNDS LEGAL FROM BARGE WAGGONER SURVEY]

The source of grantors' interest is found in deed recorded in Book ____, Page ____, in the Register's Office of Hamilton County, Tennessee.

EXHIBIT "B"
TO
REAL PROPERTY LEASE AGREEMENT

Permitted Encumbrances

1. The lien of taxes not yet due and payable;
2. [INSERT FROM SCHEDULE B-II OF TITLE COMMITMENT]

EXHIBIT "C"
TO
REAL PROPERTY LEASE AGREEMENT

Form of Memorandum of Real Property Lease Agreement

[Attached]

Prepared by and when recorded return to:
Baker, Donelson, Bearman, Caldwell & Berkowitz, P.C.
1800 Republic Centre
633 Chestnut Street
Chattanooga, Tennessee 37450-1800
Attention: Louann Prater Smith, Esquire

MEMORANDUM OF PERSONAL PROPERTY LEASE AGREEMENT

This MEMORANDUM OF PERSONAL PROPERTY LEASE AGREEMENT (the "Memorandum") dated as of _____, 2015 (the "Effective Date"), by and between **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA** ("Lessor"), a Tennessee public corporation, and **GESTAMP CHATTANOOGA II, LLC** ("Lessee"), a Delaware limited liability company;

WITNESSETH:

That in consideration of the rents, covenants, and conditions more particularly set forth in a certain Personal Property Lease Agreement of even date herewith between Lessor and Lessee (the "Lease"), Lessor and Lessee do hereby covenant, promise and agree as follows:

1. **Leased Personal Property.** Pursuant to the Lease, Lessor has leased to Lessee all equipment, machinery and other tangible personal property now owned or hereafter acquired by the Lessee and now or hereafter installed or used by the Lessee at the manufacturing facility located on the real property in the City of Chattanooga, Hamilton County, Tennessee, as such real property is further described in Exhibit A attached hereto and by this reference made a part hereof (the "Real Property"), together with any additions and accessions thereto, replacements thereof and substitutions therefore (such equipment, machinery and other tangible personal property collectively called the "Personal Property"), title to which Personal Property has been or will be conveyed by Lessee to Lessor.

2. **Term.** The term of the Lease commenced on the Effective Date and will terminate on December 31, 2026 (the "Lease Term").

3. **Option to Purchase the Personal Property.** Lessee, or its assignee, has the option to purchase the Personal Property or any part of the Personal Property at any time and from time to time during the Lease Term or within three hundred sixty-five (365) days after the termination or expiration of the Lease Term or termination of the Lease as to a part of the Personal Property for any reason whatsoever, including without limitation an event of default by Lessee, for the purchase price, in each case, of One Dollar (\$1.00). This option may be exercised whether or not Lessee is in default under the Lease and whether or not the Lessor is exercising or has exercised any of its rights or remedies with respect to such default.

4. **Effect of Memorandum.** The sole purpose of this Memorandum is to give notice of the Lease and its terms, covenants and conditions to the same extent as if the Lease were fully set forth herein. This Memorandum shall not modify in any manner the terms, conditions or

intent of the Lease and the parties agree that this Memorandum is not intended nor shall it be used to interpret the Lease or determine the intent of the parties under the Lease.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

[The Industrial Development Board of the City of Chattanooga– Signature Page to Memorandum of Personal Property Lease Agreement]

IN WITNESS WHEREOF, The Industrial Development Board of the City of Chattanooga has executed this Memorandum of Personal Property Lease Agreement as of the date first written above.

LESSOR:

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF
CHATTANOOGA

By: _____
Title: _____

ATTEST:

By: _____
Title: _____

STATE OF TENNESSEE
COUNTY OF HAMILTON

Before me, _____, a Notary Public in and for said State and County aforesaid, duly commissioned and qualified, personally appeared _____ and _____, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that they are respectively the _____ and _____ of **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA**, and are authorized to execute this instrument on behalf of such Board.

WITNESS my hand, at office, this ____ day of _____, 2015.

Notary Public

My Commission Expires:

[Gestamp Chattanooga II, LLC – Signature Page to Memorandum
of Personal Property Lease Agreement]

IN WITNESS WHEREOF, Gestamp Chattanooga II, LLC has executed this Memorandum of Personal Property Lease Agreement as of the date first written above.

LESSEE:

GESTAMP CHATTANOOGA II, LLC

By: _____
Title: _____

STATE OF _____
COUNTY OF _____

Before me, _____, a Notary Public in and for said State and County aforesaid, duly commissioned and qualified, personally appeared _____, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the _____ of **GESTAMP CHATTANOOGA II, LLC**, and is authorized to execute this instrument on such limited liability company.

WITNESS my hand, at office, this ____ day of _____, 2015.

Notary Public

My Commission Expires:

EXHIBIT A
TO
MEMORANDUM OF PERSONAL PROPERTY LEASE AGREEMENT

Legal Description of Real Property

[INSERT FROM REAL PROPERTY LEASE]

PERSONAL PROPERTY LEASE AGREEMENT

THIS PERSONAL PROPERTY LEASE AGREEMENT (the "Agreement"), made and entered into as of _____, 2015, by and among **THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF CHATTANOOGA** (the "Board"), a public corporation duly created and existing under the laws of the State of Tennessee; and **GESTAMP CHATTANOOGA II, LLC**, a Delaware limited liability company authorized to do business in Tennessee (the "Company").

WITNESSETH:

In consideration of the respective covenants and agreements hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Board and the Company agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. The following terms when used in this Agreement, unless the context shall clearly indicate another or different meaning or intent, shall be construed as follows:

"Act" means the Tennessee Industrial Development Corporations Act of 1955, Chapter 210 of the Public Acts of 1955, as codified in Tennessee Code Annotated Sections 7-53-101 et seq., as heretofore amended and as hereafter amended from time to time.

"Act of Bankruptcy" means the filing of a petition in bankruptcy (or other commencement of a bankruptcy or similar proceeding) by or against the Company or the Board under any applicable bankruptcy, insolvency or similar law as now or hereafter in effect.

"Agreement" means this Lease Agreement as it now exists and as it may hereafter be amended.

"Board" means The Industrial Development Board of the City of Chattanooga, a public corporation duly created and existing under the Act, and its successors and assigns.

"City" means the City of Chattanooga, Tennessee.

"County" means Hamilton County, Tennessee.

The terms "default" and "event of default" mean any occurrence or event specified in Section 10.01 hereof.

"Facility" means the manufacturing facility to be operated by the Company on the Real Property.

"Lease Term" means the term of this Agreement as set forth in Section 5.01.

The term "pending" with respect to any proceedings commenced by an Act of Bankruptcy means that such proceedings have not been dismissed, or are subject to further appeal.

"Permitted Encumbrances" shall mean those matters listed on attached Exhibit B and any other matters that become Permitted Encumbrances in accordance with the provisions of this Agreement.

"Personal Property" means collectively the machinery, equipment and other tangible personal property, now owned or hereafter acquired by the Company and now or hereafter installed and used by the Company at the Facility, together with any additions and accessions thereto, replacements thereof and substitutions therefor, including without limitation, the Personal Property listed in Schedule 1 and Schedule 2.

"PILOT Agreement" means the Agreement for Payments in Lieu of Ad Valorem Taxes entered into of even date herewith among the Board, the Company, the City and the County.

"Project" means the acquisition and installation of the Personal Property.

"Real Property" means that tract of real property located in the Enterprise South Industrial Park in Chattanooga, Hamilton County, Tennessee, now designated as a portion of Tract One – Mega Site One, such real property being more particularly described on attached Exhibit A.

ARTICLE II CERTIFICATIONS

Section 2.01 Certifications, Representations and Warranties by Board. The Board makes the following certifications, representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Board is a public corporation of the State of Tennessee, duly organized and existing under the provisions of the Act. The Act authorizes the Board to acquire land, buildings, machinery and equipment and related facilities and to own, lease and dispose of the same for the purpose of maintaining and increasing employment opportunities by promoting

industry, trade and commerce and by inducing manufacturing, industrial and commercial enterprises to locate in or remain in the State of Tennessee. The Board is authorized to act in furtherance of such purposes. The Board is authorized to act in furtherance of such purposes within the boundaries of the City and the County. The Board has full power and has been duly authorized to enter into this Agreement and the PILOT Agreement and to consummate the transactions contemplated by this Agreement and the PILOT Agreement in accordance with their respective terms. When executed and delivered by the parties thereto, this Agreement and the PILOT Agreement will constitute the valid and binding obligations of the Board enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by (i) applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally, or (ii) general principles of equity, whether considered in a proceeding at law or in equity.

(b) The Board has found and does hereby declare that the Project and the leasing of the Personal Property to the Company will increase employment in the City and the County, and will be in furtherance of the public purposes for which the Board was created.

(c) The Board has been induced to enter into this undertaking by the promises of the Company to acquire, construct, equip and operate the Facility in the City, the County and the State of Tennessee.

(d) There are no actions, suits, proceedings, inquiries or investigations pending, or to the knowledge of the Board threatened, against or affecting the Board in any court or before any governmental authority or arbitration board or tribunal, which involve the possibility of materially and adversely affecting the transactions contemplated by this Agreement or which, in any way, would materially and adversely affect the validity or enforceability of this Agreement or any agreement or instrument to which the Board is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or thereby.

Section 2.02 Certifications, Representations and Warranties by Company. The Company makes the following certifications, representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company, duly formed under the laws of the State of Delaware and authorized to do business in the State of Tennessee, in good standing under its organizational documents, has full power and authority to enter into this Agreement and to perform all obligations contained herein and therein, and has, by proper company action, been duly authorized to execute and deliver this Agreement on its behalf and, when executed and delivered by the parties thereto, this Agreement will constitute the valid and binding obligation of the Company enforceable in accordance with its terms, except as the enforceability thereof may be limited by (i) applicable bankruptcy, insolvency, moratorium, reorganization or similar laws in effect which affect the enforcement of creditors' rights generally, or (ii) general principles of equity, whether considered in a proceeding at law or in equity.

(b) The agreement of the Board to own the Personal Property and lease the Personal Property to the Company induced the Company to locate the Facility in the City and the County, which will increase employment in the City and the County.

(c) Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated herein by the Company, nor the fulfillment of or compliance with the terms and conditions of this Agreement, conflicts or will conflict with or result in a breach of the terms, conditions or provisions of any company restriction or internal governing document of the Company or any agreement or instrument to which the Company is now a party or by which it is bound, or any existing law, rule, regulation, judgment, order or decree to which it is subject, or constitutes a default under any of the foregoing or, except as contemplated hereby, results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Company under the terms of any instrument or agreement.

(d) There are no proceedings pending, or to the knowledge of the Company threatened, against or affecting the Company in any court or before any governmental authority, arbitration board or tribunal which would be likely to materially and adversely affect the properties, business, prospects, profits or condition (financial or otherwise) of the Company, or the ability of the Company to perform its obligations under this Agreement. The Company is not in default with respect to an order of any court, governmental authority, arbitration board or tribunal.

(e) No event has occurred and no condition exists with respect to the Company that would constitute an "event of default" under this Agreement, or which, with the lapse of time or with the giving of notice, or both, would become such an "event of default".

ARTICLE III LEASING CLAUSES; WARRANTY OF TITLE

Section 3.01 Lease of Personal Property. The Board hereby leases to the Company, and the Company hereby leases from the Board, the Personal Property, for the consideration set forth in Section 5.03 hereof and in accordance with the provisions of this Agreement. The Personal Property is subject to the Permitted Encumbrances. All items of the Personal Property from time to time located or installed at the Facility during the Lease Term by or at the direction of the Company pursuant to the Company's obligations under Section 4.01 shall automatically and without further action by any party become the property of the Board, shall be leased to the Company pursuant to this Agreement and shall be included in the term "Personal Property" as used in this Agreement. The Board and the Company shall enter into such amendments or supplements to this Agreement as shall be necessary or desirable in connection with the acquisition and installation of the Personal Property.

Section 3.02 Title. The Board will obtain upon the acquisition thereof good and marketable title to the Personal Property, free from all encumbrances other than Permitted Encumbrances.

Section 3.03 Quiet Enjoyment. The Board covenants and agrees that, subject to the Permitted Encumbrances, it will warrant and defend the Company in the quiet enjoyment and peaceable possession of the Personal Property, free from all claims of all persons whatsoever, throughout the Lease Term, so long as the Company shall perform the covenants, conditions and agreements to be performed by it hereunder, or so long as the period for remedying any default in such performance shall not have expired. If the Board shall at any time be called upon to defend the title to the Personal Property for claims not created by, through or for the Board, it shall not be required to incur any costs or expenses in connection therewith unless indemnified to its satisfaction against all such costs and expenses.

ARTICLE IV ACQUISITION AND INSTALLATION OF PERSONAL PROPERTY

Section 4.01 Agreement to Acquire and Install Personal Property. The Company agrees that:

- (a) It will cause title in and to the Personal Property to be vested in the Board, subject to the Permitted Encumbrances.
- (b) It will acquire and install the Personal Property in the name of and on behalf of the Board.
- (c) It will complete the Project as promptly as practicable.

ARTICLE V EFFECTIVE DATE; DURATION OF LEASE TERM; CONSIDERATION

Section 5.01 Effective Date of this Agreement; Duration of Lease Term. This Agreement shall become effective upon its delivery, and the leasehold estate created hereunder shall then begin, and, subject to the other provisions of this Agreement, shall expire at midnight, December 31, 2026 (the "Lease Term").

Section 5.02 Delivery and Acceptance of Possession. The Board agrees to deliver to the Company sole and exclusive possession of the Personal Property upon the date of acquisition by the Board from time to time of such Personal Property, and the Company agrees to accept possession of the Personal Property upon such delivery.

Section 5.03 Consideration for Lease; Rental. In consideration of the lease granted hereunder the Company agrees that it will do the following and will pay all costs and expenses of the following as rental due under this Agreement:

(a) Acquire and install the Personal Property as described in Section 4.01 hereof;

(b) Operate the Facility for its own benefit and for the benefit of the citizens of the County and the City (provided that only the Board shall have any rights with respect to the Facility and only to the extent provided in this Agreement, and only the Board shall have the right to enforce this Agreement);

(c) Make the payments required of it under the PILOT Agreement;
and

(d) Make the payments and fulfill the obligations set forth in Sections 6.01, 6.03, 6.04, 6.05 and 6.06 of this Agreement and any other provisions of this Agreement, regardless of whether such payments or obligations are specifically designated as rental.

ARTICLE VI
MAINTENANCE: MODIFICATION: TAXES AND INSURANCE

Section 6.01 Maintenance and Modification of Personal Property by Company. The Company agrees that throughout the term of this Agreement it will, at its own expense, keep the Personal Property (i) in as reasonably safe condition as its operations shall permit, and (ii) in good repair and in good operating condition, normal wear and tear and obsolescence excepted, making from time to time all necessary repairs thereto and renewals and replacements thereof as the Company shall determine to be necessary for the operation of the Facility.

Section 6.02 Removal of Personal Property. The Board shall not be under any obligation to renew, repair or replace any inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary Personal Property. In any instance where the Company in its sole discretion determines that any items of the Personal Property have become inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary, the Company may remove such items of the Personal Property and (on behalf of the Board) sell, trade-in, exchange or otherwise dispose of them (as a whole or in part) without any responsibility or accountability to the Board therefor.

Section 6.03 Taxes, Other Governmental Charges and Utility Charges. The Board and the Company acknowledge, and the Board represents and warrants to the Company, that under present law and provided that title is vested in the Board, the Personal Property will be exempt from ad valorem property taxation in the State of Tennessee pursuant to the terms set forth in the PILOT Agreement. Without limitation of the preceding sentence, the Company will pay, as the same become lawfully due and payable, (i) all other taxes and governmental charges of any kind whatsoever upon or with respect to the Property and (ii) all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Personal Property by the Company.

The Company may, at its own expense and in its own name, in good faith contest any such taxes, assessments or other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom. The Board will cooperate fully with the Company in any such contest.

Section 6.04 Maintenance of Insurance. Throughout the term of this Agreement, the Company shall keep the Personal Property continuously insured against such risks and in such amounts as are reasonably determined by the Company. The Company shall pay all premiums in respect to such coverages as the same become due. All insurance proceeds with respect to the Personal Property shall be payable to the Company.

Section 6.05 Indemnification of Board. To the extent caused by the Company, the Company shall and hereby agrees to indemnify and save the Board and its officers, directors, agents, servants and employees harmless from and against all claims by or on behalf of any person, firm or corporation arising from the conduct or management of, or from any work or thing done on, on the Personal Property during the Lease Term, and against and from all claims arising during the term of this Agreement, from

- (a) any condition of the Personal Property caused by the Company;
- (b) any breach or default on the part of the Company in the performance of any its obligations under this Agreement; and
- (c) any act of negligence of the Company or of any agents, contractors, servants, employees or licensees of the Company.

To the extent caused by the Company, the Company shall indemnify and save the Board and its officers, directors, agents, servants and employees harmless from and against all costs and expenses incurred in or in connection with any action or proceeding brought thereon, and, upon notice from the Board, and to the extent caused by the Company, the Company shall defend the Board and any such officer, director, agent, servant or employee or any of them in any such action or proceeding.

Section 6.06 Board Expenses. In addition to other payments required to be made by the Company hereunder, the Company shall pay any reasonable expenses not specifically mentioned herein which are incurred by the Board in connection with the Project or this Agreement.

Section 6.07 Depreciation and Investment Credit. The Board covenants and agrees that all depreciation expenses, other tax deductions and investment tax credits, if any, with respect to the Personal Property shall be made available to the Company, and the Board will fully cooperate with the Company in any effort by the Company to avail itself of any such depreciation expenses, other tax deductions or investment tax credits, but the Board shall have no

responsibility or liability for failure of the Company to receive any such expenses, deductions or credits.

ARTICLE VII
DAMAGE, DESTRUCTION AND CONDEMNATION

Section 7.01 Damage and Destruction. If during the Lease Term the Personal Property or any part thereof is damaged by fire or other casualty, the Board shall cause the proceeds received by it from insurance to be paid to the Company.

Section 7.02 Condemnation of Personal Property. If title in and to, or the temporary use of, the Personal Property or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Board shall cause the proceeds received by it from any award made in such eminent domain proceeding to be paid to the Company.

The Board shall cooperate fully with the Company in the handling and conduct of any prospective or pending eminent domain proceeding with respect to the Personal Property or any part thereof and shall, to the extent it may lawfully do so, permit the Company to litigate in any such proceeding in the name and on behalf of the Board. In no event will the Board voluntarily settle, or consent to the settlement of, any prospective or pending eminent domain proceeding with respect to the Personal Property or any part thereof without the written consent of the Company.

ARTICLE VIII
SPECIAL COVENANTS

Section 8.01 No Warranty of Condition or Suitability by Board. The Board makes no warranty, either express or implied, as to the condition of the Personal Property or that it will be suitable for the purposes or needs of the Company. The Company releases the Board from, agrees that the Board shall not be liable for, and agrees to hold the Board and its officers, directors, agents, servants and employees harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to the Personal Property or the use thereof. The members of the Board of Directors of the Board shall incur no liability either individually or collectively by reason of the obligations undertaken by the Board hereunder.

Section 8.02 Identification of Improvements. The Company will at all times maintain in its permanent records a complete list of the Improvements constituting a part of the Personal Property, which will specifically identify each item of such Personal Property as being property of the Board.

ARTICLE IX
ASSIGNMENT, SUBLEASING, PLEDGING AND SELLING

Section 9.01 Assignment or Subleasing. This Agreement may be assigned and the Personal Property be subleased, as a whole or in part, (including collateral assignments, leasehold mortgages or security interests and similar pledges) by the Company without the prior written consent of the Board provided that:

(a) Unless authorized in writing by the Board, no assignment or subleasing shall relieve the Company from primary liability for any of its obligations hereunder, and, in the event of any such assignment or subleasing, the Company shall continue to remain primarily liable for performance and observance of the agreements on its part herein provided to be performed and observed by it to the same extent as though no assignment or subleasing had been made.

(b) The assignee or sublessee shall assume the obligations of the Company hereunder to the extent of the interest assigned or subleased.

Section 9.02 Restrictions on Sale of the Personal Property by Board. The Board agrees that, except for transactions effected in accordance with Section 11.03 hereof or pursuant to a request from the Company, it will not sell, assign, mortgage, transfer or convey the Personal Property or any part thereof during the Lease Term or create or suffer to be created any debt, lien or charge on the rents, revenues or receipts arising out of or in connection with its ownership of the Personal Property, and it will not take any other action which may reasonably be construed as tending to cause or induce the levy or assessment of ad valorem taxes; provided, that if the laws of the State of Tennessee at the time shall permit, nothing contained in this Section shall prevent the consolidation of the Board with, or merger into, or transfer of the Personal Property as an entirety to, any public corporation whose property and income are not subject to taxation and which has corporate authority to carry on the business of owning, leasing and selling of the Personal Property; provided that such consolidation, merger or transfer shall be authorized by the governing body of the City and shall be subject to the Permitted Encumbrances.

ARTICLE X
EVENTS OF DEFAULT AND REMEDIES

Section 10.01 Events of Default Defined. The following shall be "events of default" under this Agreement, and the terms "event of default" or "default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

(a) Failure by the Board or the Company to observe and perform any covenant, condition or agreement on its part to be observed or performed, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied is given to the defaulting party by the other party, unless the one giving notice shall agree in writing to an

extension of such time prior to its expiration. If a failure under this Section 10.01(a) is such that it can be corrected but not within the applicable period, it shall not constitute an event of default if appropriate corrective action is instituted within the applicable period and diligently pursued until the default is corrected.

(b) A voluntary Act of Bankruptcy or an Act of Bankruptcy which, if resulting from the filing or commencement of involuntary proceedings against the Company or the Board, is not dismissed or discharged within sixty (60) days of the filing or commencement thereof.

The foregoing provisions of subsection (a) of this Section are subject to the following limitations: if by reasons of force majeure, the Board or the Company is unable in whole or in part to carry out the agreements on its part herein referred to, the failure to perform such agreements due to such inability shall not constitute an event of default nor shall it become an event of default upon appropriate notification or the passage of the stated period of time. The term "force majeure" as used herein shall mean, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; act of public enemies; orders of any kind of the government of the United States of America or of the State of Tennessee or any of their respective departments, agencies, political subdivisions or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fires, hurricanes, tornadoes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, transmission pipes or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the Board or the Company, as the case may be. To the extent within the control of the Board or the Company, as applicable, such party agree, however, to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its agreements; provided, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the Board or the Company, as the case may be, and the Board and the Company shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the Board or the Company, unfavorable to it.

Section 10.02 Remedies on Default. Whenever any event of default referred to in Section 10.01 hereof shall have occurred and be subsisting, the Board or the Company, as the case may be, may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant under this Agreement.

ARTICLE XI OPTIONS IN FAVOR OF COMPANY

Section 11.01 Options to Terminate. The Company shall have the following options to cancel or terminate the Lease Term and this Agreement:

(a) At any time, the Company may terminate the Lease Term by giving written notice to the Board of such termination.

(b) At any time, the Company may terminate this Agreement as to a part of the Personal Property by giving written notice to the Board of such termination, and such termination shall forthwith become effective as to that part of the Personal Property.

Section 11.02 Option to Purchase Personal Property. Upon any termination or expiration of the Lease Term or termination of this Agreement as to all or a portion of the Personal Property (including any termination following an event of default) and for three hundred sixty-five (365) days thereafter, the Company shall have, and is hereby granted, the continuing option to purchase the Personal Property or that part of the Personal Property as to which the Agreement has been terminated, as the case may be, for the purchase price, in each case, of One Dollar (\$1.00). This option may be exercised whether or not the Company is in default hereunder and whether or not the Board is exercising or has exercised any of its right or remedies with respect to such default.

Section 11.03 Conveyance on Exercise of Option. Upon exercise of any option granted above, the Board will, upon receipt of the purchase price, deliver to the Company documents conveying to the Company title to the Personal Property or part of the Personal Property, as the case shall be, by appropriate bills of sale, subject only to

(a) the Permitted Encumbrances and those liens and encumbrances, if any, to which title to said Personal Property was subject when conveyed to the Board;

(b) those liens and encumbrances created by or with the consent of the Company; and

(c) those liens and encumbrances resulting from the failure of the Company to perform or observe any of the agreements on its part contained in this Agreement.

Section 11.04 Survival of Rights; Possession and Use of Personal Property Pending Expiration of Option. All provisions of this Article XI shall survive the expiration of the Lease Term or the termination of this Agreement. Notwithstanding anything in this Agreement to the contrary, the Company shall have the right to retain the possession and use of the Personal Property under the terms of this Agreement until the expiration of its rights under Article XI, regardless of any expiration or termination of the Lease Term or this Agreement.

ARTICLE XII
MISCELLANEOUS

Section 12.01 Notices. All notices, certificates or other communications under this Agreement shall be sufficiently given if in writing and delivered personally, sent by overnight courier service by a company regularly engaged in the business of delivering business packages (such as Federal Express or UPS), or sent by U.S. certified mail, postage prepaid, in each case to the other party at the address set forth below, or at such other address as may be specified by notice in writing from time to time by either party to the other. The date of any such notice and of service thereof shall be deemed to be three (3) business days after deposit in certified mail, one (1) day following deposit with an overnight courier as set forth above, or upon the date of personal delivery.

Board: The Industrial Development Board of the City of
Chattanooga
100 E. 11th Street, Suite 200
Chattanooga, Tennessee 37402
Attention: Wade A. Hinton

Company: Gestamp North America, Inc.
2701 Troy Center Drive, Suite 150
Troy, Michigan 48084
Attn: James Barry

With a Copy to: Gestamp Chattanooga II, LLC
3063 Hickory Valley Road
Chattanooga, Tennessee 37421
Attn: Corey Jahn

With a Copy to: Baker, Donelson, Bearman, Caldwell & Berkowitz,
P.C.
1800 Republic Centre
633 Chestnut Street
Chattanooga, Tennessee 37450
Attention: Louann Prater Smith, Esquire

Any such person may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communication shall be sent.

Section 12.02 Amendment. This Agreement may be amended only in writing, signed by the Board and the Company.

Section 12.03 Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the Company, the Board, and their respective successors and assigns.

Section 12.04 Severability. If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 12.05 Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12.06 Captions. The captions and headings in this Agreement are for convenience only and in no way define, limit or describe the scope, extent or intent of any provision or Section hereof.

Section 12.07 Applicable Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Tennessee without reference to principles of conflicts of laws.

Section 12.07 Recorded Memorandum. This Agreement shall not be recorded. However, the parties shall enter into a memorandum of this Agreement, in the form attached as Exhibit C, which shall be recorded.

[Signatures Appear on the Following Pages]

[The Industrial Development Board of the City of Chattanooga– Signature Page to Personal
Property Lease Agreement]

IN WITNESS WHEREOF, The Industrial Development Board of the City of Chattanooga has executed this Personal Property Lease Agreement as of the date first written above.

BOARD:

THE INDUSTRIAL DEVELOPMENT
BOARD OF THE CITY OF
CHATTANOOGA

By: _____

Title: _____

ATTEST:

By: _____

Title: _____

[Gestamp Chattanooga II, LLC – Signature Page to
Personal Property Lease Agreement]

IN WITNESS WHEREOF, Gestamp Chattanooga II, LLC has executed this Personal Property Lease Agreement as of the date first written above.

COMPANY:

GESTAMP CHATTANOOGA II, LLC

By: _____
Title: _____

EXHIBIT "A"
TO
PERSONAL PROPERTY LEASE AGREEMENT

Legal Description of Real Property

A portion of Tract One – Mega Site One, Enterprise South Industrial Park in the City of Chattanooga, Hamilton County, Tennessee, and being more particularly described as follows:
[INSERT METES & BOUNDS LEGAL FROM BARGE WAGGONER SURVEY]

The source of grantors' interest is found in deed recorded in Book ____, Page ____, in the Register's Office of Hamilton County, Tennessee.

EXHIBIT "B"
TO
PERSONAL PROPERTY LEASE AGREEMENT

Permitted Encumbrances

None.

EXHIBIT "C"
TO
PERSONAL PROPERTY LEASE AGREEMENT

Form of Memorandum of Personal Property Lease Agreement

[Attached]

**SCHEDULE 1
TO
PERSONAL PROPERTY LEASE AGREEMENT**

Certain Items of Personal Property Classified as Industrial Machinery

All machinery, apparatus and equipment, with all associated parts, appurtenances and accessories, including hydraulic fluids, lubricating oils, and greases necessary for operation and maintenance, repair parts and any necessary repair or taxable installation labor therefor, that is necessary to and primarily for the Company's manufacturing, fabrication or processing operations at or about the Facility, together with all other items qualifying as "industrial machinery" pursuant to Tennessee Code Annotated, Section 67-6-102(44) (including but not limited to pollution control facilities primarily used for air or water pollution control) and all other relevant Sections of Tennessee Code Annotated, whenever the foregoing now or hereafter arrives at or about the Facility, including but not limited to the following:

- LIST TO BE INSERTED

**SCHEDULE 2
TO
PERSONAL PROPERTY LEASE AGREEMENT**

Certain Other Items of Personal Property

All items of tangible personal property which are not considered as industrial machinery pursuant to Tennessee Code Annotated, Section 67-6-102(44), whenever the foregoing now or hereafter arrive at or about the Facility, including but not limited to the following any time at or about the Facility:

- Desks, chairs, drawers, credenzas, tables, lamps, pictures and frames, and any other such furniture and accessories
- Telephone receivers and units, facsimile units, and copying and similar machines
- Safes and other similar safekeeping/storage units
- Fire extinguishers, alarms, medical equipment, and other similar safety and emergency related items
- Blinds, shutters and other window treatments
- Televisions, video equipment and security surveillance items
- Microwaves, stoves, refrigerators, dishwashers, and other kitchen or break-room related items
- Cubicles and other divisional items used for creating separate office environment
- Time clocks, scanners and similar employee check-in/check-out items