

## **MEMORANDUM OF INTENT**

### **Between the United States Department of Energy, the State of Michigan and the Original Equipment Suppliers Association**

This Memorandum of Intent is made between the United States Department of Energy (DOE), the State of Michigan and the Original Equipment Suppliers Association (OSEA).

#### 1. Purpose

- 1.1 The Parties recognize the benefit of supporting a cooperative, pre-competitive research and development alliance known as the United States Automotive Partnership for Advancing Research and Technologies (USAutoPARTs), which will engage automotive suppliers to advance cost-effective emerging technologies into performance-specified, factory-ready materials, processes, components, and systems.
- 1.2 The purpose of this document is to express the non-binding intent of each Party to participate in supporting USAutoPARTs.

#### 2. Commitment to the Interests of Members and Sponsors

- 2.1 It is intended that support of USAutoPARTs will address interests of participating companies from the automotive original equipment supplier industry in the United States (the "Industry Participants"), as well as the interests of the U.S. Department of Energy and its national laboratories, the State of Michigan, and the supplier community through the OESA. Accordingly, it is anticipated that the technical objectives of this effort will involve imperative needs in such areas as energy efficiency, fuel displacement and emissions, and that it will have a positive impact on economic development in the State of Michigan and on U.S. competitiveness.

#### 3. Scope of Cooperation

- 3.1 The Parties agree that they will explore the possibility of providing the following services and resources to support USAutoPARTs, with each Party's contribution contingent, among other things, on the realization of contributions from the other Parties and on the resource commitments of Industry Participants.

- 3.2 Subject to the availability of funds, DOE intends to provide financial support of up to a total of \$9 million over four years beginning in FY2008. This support will be provided by means of program funding to Oak Ridge National Laboratory (ORNL) and other DOE national laboratories, which will support USAutoPARTs through their R&D, and which will establish any necessary contractual agreements with USAutoPARTs. This support is contingent upon matching financial support arranged by the State of Michigan.
- 3.3 The State of Michigan intends to arrange financial support for facility operations through grants or Foundation contributions or other sources up to a total of \$5 million over four years beginning in FY2008 for the sole benefit of USAutoPARTs.
- 3.4 Fulfillment of DOE and State of Michigan financial support is contingent upon support to USAutoPARTs from Industry Participants of up to \$9 million over four years beginning in FY2008 (which when combined with other funding will, in the aggregate, total \$23 million).
- 3.5 Fulfillment of DOE and State of Michigan financial support is further contingent upon USAutoPARTs securing donated laboratory and office equipment, together with leasehold infrastructure improvements to the former Delphi Research Laboratory in Shelby Township, Michigan. This facility has a book value of approximately \$7 million.

#### 4. Relationship

- 4.1 The relationship among the Parties is that of independent collaborators and at no time will any Party be deemed to be the agent of another. The Parties affirm that no partnership arrangement or form of representation of the other party is accepted or implied by the conditions of this Memorandum of Intent.
- 4.2 No Party shall be liable to any other Party for any matter arising from activities under this Memorandum of Intent.

#### 5. Term and Termination

- 5.1 This Agreement shall come into force from the date of the last signature and shall remain valid for a period of one year. It may be extended by mutual agreement with the prior written agreement of authorized representatives of each Party. The terms of the agreement shall be reviewed prior to any extension.
- 5.2 This Agreement may be terminated at any time by mutual written agreement of the Parties existing at the time of termination.

- 5.3 Any Party may unilaterally withdraw by providing thirty days written notice to the other Parties.

## 6. Status

- 6.1 This agreement is not legally binding. No funds are committed and no legal obligations are created by this Agreement.
- 6.2 The Department of Energy enters into this Agreement under the authority of section 646 of the Department of Energy Organization Act (Pub. L. 95-91, as amended; 42 U.S.C. 7256).

This Agreement in no way restricts either of the Parties from participating in any activity with other public or private agencies, organizations or individuals.

This Agreement is neither a fiscal nor a funds obligation document. Nothing in this Agreement authorizes or is intended to obligate the Parties to expend, exchange, or reimburse funds, services, or supplies, or transfer or receive anything of value.

This Agreement is strictly for internal management purposes for each of the Parties. It is not legally enforceable and shall not be construed to create any legal obligation on the part of either Party. This Agreement shall not be construed to provide a private right or cause of action for or by any person or entity.

All agreements herein are subject to, and will be carried out in compliance with, all Federal applicable laws, regulations and other legal requirements.

USAutoPARTs agrees that it will not claim or imply that DOE endorses the sale and/or purchase of its products and services or those of its members and will not use the DOE seal without appropriate DOE authorization.

**IN WITNESS WHEREOF, the Parties have caused this AGREEMENT to be executed by their duly authorized representatives as follows.**

**For and on behalf of the U.S. Department of Energy:**

Signed:

Date: January 17, 2008

Under Secretary Clarence H. Albright, Jr.

**For and on behalf of the State of Michigan:**

Signed:

Date: January 17, 2008

Governor Jennifer M. Granholm

**For and on behalf of OESA:**

Signed:

Date: January 17, 2008

President and CEO of OESA, Neil De Koker