

RESOLUTION NO. 23-229

A RESOLUTION OF THE CITY OF SPRING HILL APPROVING TERMINATION OF THE GENERAL MOTORS, LLC PAYMENT IN LIEU OF TAXES (PILOT)

WHEREAS, The Governing Bodies of Maury County, Tennessee, Columbia Tennessee, Spring Hill, Tennessee and Mt. Pleasant, Tennessee agreed with a PILOT with the Industrial Development Board of Maury County, Tennessee (IDB) and General Motors, LLC (GM) in November 1985 providing certain tax agreements with GM; and

WHEREAS, the PILOT with GM is soon to expire, and

WHEREAS, the IDB has negotiated a new PILOT with the IDB additionally a new PILOT has been negotiated with ULTIUM on the GM campus; and

WHEREAS, the old PILOT must be terminated before the new PILOT can commence, and

WHEREAS, the agreement has been negotiated and recommended by the IDB, and

WHEREAS, all monies owed to the City of Spring Hill as a result of the expiring PILOT has been Committed to be paid to the City by the County.

WHEREAS, all monies owed to the City of Spring Hill, which is \$500,000 (five hundred thousand dollars), as a result of the expiring PILOT has been committed to be paid to the City of Spring Hill by Maury County no later than 5-10 business days after Maury County receives payment from the final signed termination of the aforementioned PILOT by General Motors.

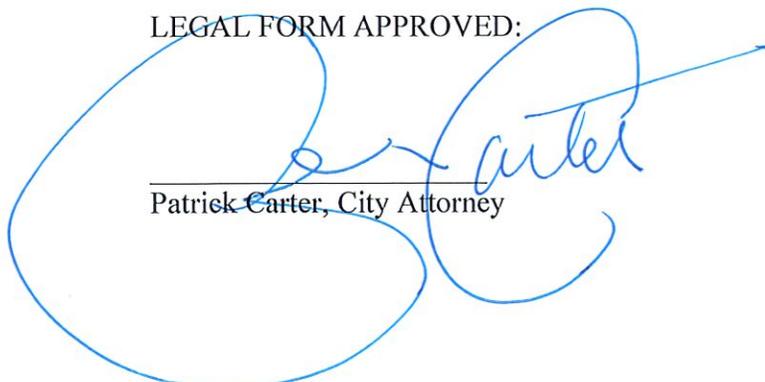
NOW, THEREFORE, BE IT RESOLVED by the Board of Mayor and Alderman of the City of Spring Hill that the November 15, 1985 PILOT with General Motors, LLC is terminated and the Mayor is authorized to sign the attached termination agreement.


Jim Hagaman, Mayor

ATTEST:


April Goad, City Recorder

LEGAL FORM APPROVED:


Patrick Carter, City Attorney

TERMINATION OF PILOT DOCUMENTS

This **TERMINATION OF PILOT DOCUMENTS** (this "Termination") is made effective as of _____, 2023 (the "Effective Date"), among **THE INDUSTRIAL DEVELOPMENT BOARD OF MAURY COUNTY, TENNESSEE**, a public, nonprofit corporation organized and existing under the laws of the State of Tennessee (the "IDB"), **GENERAL MOTORS LLC**, a Delaware limited liability company (the "Company"), the **COUNTY COMMISSIONERS OF MAURY COUNTY, TENNESSEE** (being the legislative body of Maury County, Tennessee, the "County"), the **TOWN OF SPRING HILL, TENNESSEE**, a duly incorporated municipality in Maury County, Tennessee ("Spring Hill"), the **CITY OF COLUMBIA, TENNESSEE**, a duly incorporated municipality in Maury County, Tennessee ("Columbia"), and the **CITY OF MOUNT PLEASANT, TENNESSEE**, a duly incorporated municipality in Maury County, Tennessee ("Mount Pleasant"; Spring Hill, Columbia and Mount Pleasant, each individually, a "Municipality" and collectively, the "Municipalities"; the IDB, the Company, the County and the Municipalities, collectively, the "Parties").

WITNESSETH:

WHEREAS, the Company currently operates an automotive vehicle and component parts manufacturing and assembly facility that is located in the County (such facility as it exists as of the Effective Date, the "Project");

WHEREAS, immediately prior to the Effective Date, the IDB (a) held title to all of the real property and improvements that comprised a portion of the Project at such time (such real property and improvements being the Land and Buildings, as such terms are defined in the Facility Lease (as defined below), as of the Effective Date) and certain equipment, machinery and other personal property at the Project at such time (such equipment, machinery and other personal property being the Equipment, as defined in the Facility Lease, as of the Effective Date) and (b) leased all such real property, improvements, equipment, machinery and other personal property to the Company pursuant to that certain Amended and Restated Lease Agreement, dated as of December 19, 2013, between the IDB and the Company (such Amended and Restated Lease Agreement, as amended prior to the Effective Date, together with that certain Lease Agreement, dated as of December 31, 1986, as previously amended, which such Amended and Restated Lease Agreement amended and restated, collectively, the "Original Lease Agreement");

WHEREAS, pursuant to that certain Agreement, dated November 15, 1985, among the IDB, the Company (as assignee of Saturn Corporation), the County and the Municipalities (such Agreement, as amended prior to the Effective Date, the "Original PILOT Agreement"; the Original Lease Agreement and the Original PILOT Agreement, along with all other documents and instruments relating thereto and the payment in lieu of taxes incentive arrangement effectuated thereby, including, without limitation, those certain documents and instruments identified on **Schedule A** attached hereto, the "Original PILOT Documents"; the payment in lieu of taxes incentive arrangement effectuated thereby, the "Original PILOT Incentive"), the IDB accepted payments in lieu of real and personal property taxes from the Company with respect to the real property, improvements, equipment, machinery and other property leased to the Company pursuant to the Original Lease Agreement from time to time;

WHEREAS, to induce the Company to (a) construct additional Buildings, (b) reconfigure, redevelop, refurbish and expand Buildings leased pursuant to the Original Lease Agreement immediately prior to the Effective Date, (c) acquire additional Equipment and (d) retool, refurbish, modify and improve Equipment leased pursuant to the Original Lease Agreement immediately prior to the Effective Date, the IDB and the Company have agreed to enter into (i) a Facility Lease Agreement, dated as of the Effective Date (as amended or supplemented from time to time, the "Facility Lease"), pursuant to which all of the Land and Buildings (including all of the Land and Buildings described in clause (b), above) will be leased to the Company, (ii) an Equipment Lease, dated as of the Effective Date (as amended or supplemented from time to time, the "Equipment Lease"), pursuant to which all Equipment (including all of the Equipment described in clause (d), above) will be leased to the Company and (iii) a Tax Agreement, of even date herewith (as amended or supplemented from time to time, the "Tax Agreement"; the Facility Lease, the Equipment Lease, the Tax Agreement, along with all other documents and instruments relating to the New PILOT Incentive (as defined below), the "New PILOT Documents"), pursuant to which the IDB is agreeing to accept payments in lieu of ad valorem taxes with respect to the Land, Buildings and Equipment during the term of the Facility Lease and term of the Equipment Lease, all in order to effectuate the New PILOT Incentive (as defined below);

WHEREAS, by their execution and delivery of this Termination and the New PILOT Documents, as applicable, the Company and the IDB each acknowledges (it being agreed that the IDB in making such acknowledgment is relying in part on Section 3 hereof) that the Company and the IDB have taken all actions necessary to redeem (or cause the redemption of) all issued and outstanding industrial development revenue bonds issued by the IDB prior to the Effective Date to finance the costs and expenses for acquiring constructing, equipping and installing, as applicable, any and all real or personal property subject to the Original Lease Agreement at any time during the term of the Original Lease Agreement (collectively, the "Bonds") effective immediately prior to the Effective Date, thereby causing the Original Lease Agreement to terminate effective at that time;

WHEREAS, the Company and the IDB further acknowledge that in connection with this Termination and the execution and delivery of the New PILOT Documents, (a) the Company agreed not to exercise its option under the Original Lease Agreement to purchase the real property, improvements, equipment, machinery and other personal property owned by the IDB and leased to the Company pursuant to the Original Lease Agreement at such time, (b) the IDB agreed to retain title to all of such assets and subject all of them to the Facility Lease and the Equipment Lease, as applicable, as of the Effective Date, and (c) immediately prior to the execution and delivery of this Termination and the New PILOT Documents, the Original PILOT Documents are in full force and effect and there exists no default (or event or condition that, with the passage of time and/or the giving of notice, would constitute a default) thereunder; and

WHEREAS, by the execution and delivery of this Termination, the Parties (it being acknowledged that the County and the Municipalities are not party to the New PILOT Documents) intend to terminate the Original PILOT Documents and redeem the Bonds (or confirm the previous termination of any of the Original PILOT Documents that have terminated by their terms on or before the Effective Date or the previous redemption of any of the Bonds that have been redeemed on or before the Effective Date) and the Original PILOT Incentive existing pursuant thereto and

simultaneously replace, to the extent necessary, same with the New PILOT Documents and the New PILOT Incentive.

NOW, THEREFORE, in consideration of the recitals set forth above and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows.

1. Incorporation of Recitals. The recitals set forth above are incorporated herein by this reference.

2. Termination and Replacement of Original PILOT Documents. On and subject to the terms and conditions set forth herein, the Parties (it being acknowledged that the County and the Municipalities are not party to the New PILOT Documents) agree that the Original PILOT Documents and the Original PILOT Incentive existing pursuant thereto shall be and hereby are cancelled and terminated as of the Effective Date such that the Original PILOT Documents and the Original PILOT Incentive existing pursuant thereto shall be terminated and simultaneously replaced with the New PILOT Documents and the New PILOT Incentive. For the avoidance of doubt, there shall be no gap in time between the termination of the Original PILOT Documents and the Original PILOT Incentive existing pursuant thereto and the effectiveness of the New PILOT Documents and the New PILOT Incentive, and in no event shall the Original PILOT Documents and Original PILOT Incentive be deemed terminated unless and until the New PILOT Documents are fully executed and delivered and in full force and effect and the New PILOT Incentive is effective. For all purposes the Parties (it being acknowledged that the County and the Municipalities are not party to the New PILOT Documents) shall be deemed to have so terminated and replaced the Original PILOT Documents and the Original PILOT Documents shall have no force or effect from and after the Effective Date except for (i) outstanding claims or obligations arising or accruing under the Original PILOT Documents prior to the Effective Date, (ii) any duties, obligations or liabilities which expressly survive the expiration or termination of the Original PILOT Documents, and (iii) any duties, obligations or liabilities set forth herein.

3. Agreement and Indemnity Regarding Bonds. For the benefit of the IDB only, the Company, in its capacity as the only holder of the Bonds, if any, hereby agrees and acknowledges that the Bonds have been redeemed and all obligations relating thereto have been discharged, confirms that it has been unable to locate any of the original Bonds and agrees to indemnify the IDB against any and all losses, liabilities, claims and expenses, including, but not limited to, reasonable attorneys' fees, incurred by the IDB as a result of any claim under the presentation of any of the original Bonds.

4. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee.

5. Conflict. In the event of any conflict between the terms of this Termination and the terms of the Original PILOT Documents, the terms of this Termination shall control.

6. Time of the Essence. Time is of the essence with respect to the performance of every provision of this Termination.

7. Counterparts. This Termination may be executed in any number of counterparts, each of which shall be an original, and all of which together shall constitute one and the same instrument.

8. Electronic Signatures. Signatures sent by electronic mail or signed electronically may be used in the place of original signatures on this Termination. Each of the Parties intends to be bound by the signatures of the electronically mailed or signed signatures, and hereby waives any defenses to the enforcement of the terms of this Termination based on the form of the signature.

[signatures follow]

IN WITNESS WHEREOF, this Termination is executed as of the Effective Date.

IDB:

THE INDUSTRIAL DEVELOPMENT BOARD
OF MAURY COUNTY, TENNESSEE

By: _____
Julius Johnson, Chairman

ATTEST:

_____, Secretary

[signatures continue on following page]

COMPANY:

GENERAL MOTORS LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

[signatures continue on following page]

COUNTY:

MAURY COUNTY, TENNESSEE

By: _____
Sheila Butt, Mayor

ATTEST:

Daniel Murphy, County Attorney

[signatures continue on following page]

MUNICIPALITIES:

TOWN OF SPRING HILL, TENNESSEE

By: _____
Jim Hagaman, Mayor

ATTEST:

April Goad, Recorder

Patrick Carter, City Attorney

[signatures continue on following page]

CITY OF COLUMBIA, TENNESSEE

By: _____
Chaz Molder, Mayor

ATTEST:

Thad H. Jablonski, Recorder

Tim Tisher, City Attorney

[signatures continue on following page]

CITY OF MOUNT PLEASANT, TENNESSEE

By: _____
William F. White, Mayor

ATTEST:

Shiphrah Cox, Recorder

Kori Jones, City Attorney

SCHEDULE A
ORIGINAL PILOT DOCUMENTS

Lease Agreement between the IDB and Saturn Corporation dated as of December 31, 1986, as amended and restated by Amended and Restated Lease Agreement between the IDB and the Company (as assignee of Saturn Corporation) dated as of December 19, 2013, as amended by First Amendatory Lease Agreement between the IDB and the Company dated as of December 31, 2014, Second Amendatory Lease Agreement between the IDB and the Company dated as of December 29, 2015, and Third Amendatory Lease Agreement between the IDB and the Company dated as of _____, 2017, and as otherwise may have been amended, supplemented or otherwise modified from time to time prior to the Effective Date

Agreement among the IDB, the Company (as assignee of Saturn Corporation), the County and the Municipalities dated November 15, 1985, as amended by First Amendment to PILOT Agreement among the IDB, the Company (as assignee of Saturn Corporation), the County and the Municipalities dated _____, 2006, and as otherwise may have been amended, supplemented or otherwise modified from time to time prior to the Effective Date

Financing Agreement between the IDB and the Company (as assignee of Saturn Corporation) dated November 15, 1985, as may have been amended, supplemented or otherwise modified from time to time prior to the Effective Date

In Lieu of Tax Distribution Agreement to the City of Columbia, Tennessee, between Columbia and the County dated November 13, 1985, as may have been amended, supplemented or otherwise modified from time to time prior to the Effective Date

Master Trust Indenture between the IDB and Bank of New York Mellon, as successor trustee, dated January 1, 1986, as may have been amended, supplemented or otherwise modified from time to time prior to the Effective Date

Any and all of The Industrial Development Board of Maury County, Tennessee Industrial Development Revenue Bonds (General Motors Project) issued by the IDB in one or more series

Bond Purchase Agreement among the IDB, the Company and the Company (in its capacity as purchaser) dated as of December 19, 2013, as may have been amended, supplemented or otherwise modified from time to time prior to the Effective Date

Assignment of Lease by the IDB to the Bondholders (as defined therein) dated as of December 19, 2013, as may have been amended, supplemented or otherwise modified from time to time prior to the Effective Date