

CITY OF ROCHELLE / NIPPON SHARYO USA, INC.

LOCAL AGENCY/COMPANY AGREEMENT

THIS AGREEMENT is made as of the 22 day of February, 2011 by and between the City of Rochelle, Illinois hereinafter called the LOCAL AGENCY and Nippon Sharyo USA, Inc., hereinafter called the COMPANY.

WHEREAS, the LOCAL AGENCY is interested in expanding its economic base with the primary emphasis on creating and retaining jobs; and

WHEREAS, the LOCAL AGENCY will enter into an agreement with the Illinois Department of Transportation, hereinafter called the STATE, to implement an economic development program that significantly impacts upon the LOCAL AGENCY's economic base; and

WHEREAS, the COMPANY has proposed a project that will create and/or retain jobs, thus providing a significant benefit to the LOCAL AGENCY's economic base; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

I. REPORTING REQUIREMENTS

- 1.1 As required by Public Act 93-552, the COMPANY is required to submit to the STATE an annual progress report of employment for five years from the date of the IDOT/Local Agency funding agreement.
- 1.2 The annual progress report shall consist of job classifications, wages, number of positions, and other pertinent information as shown on Exhibit I.
- 1.3 All annual employee progress reports will be completed on-line through the Department of Commerce and Economic Opportunity. The COMPANY will be notified by letter annually with instructions on how and when to fill out their annual report. This report will then be submitted electronically to IDOT.

II. DEFAULT AND REMEDIES

- 2.1 The COMPANY shall make the investment in the Project which shall create and/or retain a minimum of 250 full-time jobs at the facility on or before June 30, 2014.
- 2.2 In the event the COMPANY fails to create and/or retain the requisite number of full-time jobs, or the COMPANY fails to comply with the reporting requirements herein, the COMPANY may be held in default. If declared in default, the COMPANY shall be put on suspension and shall be prohibited from completing any current or providing any future development assistance until the state receives proof that the recipient has come into compliance with the requirements of Public Act 93-552.

Enclosure(4)

EXHIBIT C

III. TERMINATION

3.1 This Agreement may be terminated at any time by written, mutual agreement of the parties.

3.2 This Agreement, and all further obligations of the parties hereunder, will terminate when the Project has been completed and when the COMPANY has satisfied its reporting obligations under Section 1.

3.3 This Agreement will terminate when the COMPANY or its Partner Company is unable to secure the Contract of 160 Highliner Cars from Northwest Illinois Regional Commuter Railroad Corporation d/b/a METRA by the end of 2012.

IV. GENERAL PROVISIONS

4.1 Wherever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision shall be invalid under applicable law, such provision shall be ineffective to the extent of such invalidity without invalidating the remaining provisions of this Agreement.

4.2 This Agreement represents the full and complete agreement between the parties with respect to the matters addressed herein and there are no oral agreements or understandings between the parties.

4.3 This Agreement shall be construed in accordance with and governed by the law of the State of Illinois.

APPROVED BY

Company Name Nippon Sharyo USA, Inc.

Title Akira Koyasu, President

Signature 

Date 2/17/2011

APPROVED

City of Rochelle

By The Honorable Chet Olson, Mayor
Mayor/President

Signature 

Date 2-22-11