

**ORIGINAL**

**MEGA TAX CREDIT AGREEMENT**

**International Automotive Components Group North America, Inc.**

This Agreement between the Michigan Economic Growth Authority ("MEGA"), whose address is 300 North Washington Square, Lansing, Michigan 48913 and International Automotive Components Group North America, Inc., (the "Company") a Delaware corporation, whose address is 5300 Auto Club Drive, Dearborn, Michigan 48126, and whose Employer Identification Number is [REDACTED]

**PREAMBLE**

By signing this Agreement, the company acknowledges and agrees to the following:

- The MEGA has the authority to grant an authorized business a credit against the tax imposed by the single business tax act, 1975 PA 228, as amended.
- By an Initiation of legislation, the single business tax act, 1975 PA 228, MCL 208.1 to 208.145, is repealed effective for tax years that begin after December 31, 2007.
- The MEGA can only grant a tax credit against the tax imposed by the single business tax act, 1975 PA 228, as amended, for tax years beginning before December 31, 2007.
- The MEGA has awarded a credit to the Company if the Company meets the eligibility criteria and applies for a credit for a tax year that begins before December 31, 2007.
- The MEGA has no authority to award a tax credit against any other business tax, however, the legislature enacted 2007 PA 36 which states in part, "For a period of time not to exceed 20 years as determined by the Michigan economic growth authority, a taxpayer that is an authorized business may claim a credit against the tax imposed by this act equal to the amount certified each year by the Michigan economic growth authority".
- Upon the execution of a written Agreement between the Company and the Michigan Economic Growth Authority, the Company will become an authorized business.

## RECITALS

WHEREAS, the MEGA has been created by the Michigan Economic Growth Authority Act, Act No. 24 of Public Acts of 1995, as amended (the "Act"), with the power to provide tax credits to businesses involved in manufacturing, mining, research and development, wholesale and trade, or office operations.

WHEREAS, the Legislature has determined that it is in the public interest to promote economic growth ~~and to encourage private investment, job creation and job upgrading~~ for the residents of the State of Michigan.

WHEREAS, the MEGA has determined that providing tax credits to the Company for retention and job creation will promote and serve the purposes of the Act.

WHEREAS, the MEGA and the Company desire to set forth the terms and conditions of the MEGA Tax Credit.

NOW, THEREFORE, the parties agree as follows:

### **1.0 DEFINITIONS**

(a) "Act" means Public Act 24 of 1995, as amended.

(b) "Administrative Facilities" means one or more of the following Company or Subsidiary Company sites at which the Company has committed to locating Retained Jobs:

Facility Name	Facility Type	EIN	Location	Job Type
International Automotive Components Group North America, Inc.	Administrative	20-8306510	Dearborn, MI	Retained
IAC Plymouth, LLC	Administrative	26-0563708	Plymouth, MI	Retained
International Automotive Components Group North America, Inc.	Administrative	20-8306510	Rochester Hills, MI	Retained

(c) "Agreement" means this written agreement.

(d) "Application" means any information submitted to the MEGA in support of the Company's request for a Tax Credit.

(e) "Anniversary Date" means December 31, 2007.

(f) "Authority" or "MEGA" means the Michigan Economic Growth Authority created by the Act.

(g) "Average Weekly Wage" means the total Salaries and Wages paid during the applicable tax year to employees performing Qualified New Jobs or Retained Jobs at the Project, divided by 52, divided by the number of Qualified New Jobs or Retained Jobs at the Project.

(h) "Base Employment Level" means the minimum number of Full-Time Jobs to be maintained at the Company and/or a Subsidiary Company, in Michigan, as specified in Schedule A attached to this Agreement.

(i) "Business" means a proprietorship, joint venture, partnership, trust, business trust, syndicate, association, joint stock company, corporation, cooperative, limited liability company or any other organization.

(j) "Certificate" or "Tax Credit Certificate" means the certificate required to be issued by the Act which states that the Company is an authorized business, the amount of the Tax Credit authorized for a tax year, and the Company's federal employer identification number or Michigan Treasury number.

(k) "Certificate Application" or "Application for a MEGA Tax Credit Certificate" means the written information submitted each year in support of the Company's request for a Tax Credit Certificate.

(l) "Company" means International Automotive Components Group North America, Inc., EIN 20-8306510, which is an authorized business as defined in the Act, upon execution of this Agreement.

(m) "Facilities" means the "Project", including Administrative Facilities and Manufacturing Facilities located within this state at which the Company and its affiliates have committed to creating Qualified New Jobs or locating Retained Jobs.

(n) "Full-time Job" means a job performed by an individual who is employed for 35 hours or more each week and for which the Company or a Subsidiary Company withholds income and social security taxes.

(o) "Manufacturing Facilities" means one or more of the following Company or Subsidiary Company sites at which the Company has committed to creating Qualified New Jobs or locating Retained Jobs:

Facility Name	Facility Type	EIN	Location	Job Type
IAC Alma, LLC	Manufacturing	20-8265577	Alma, MI	Retained
IAC Mendon, LLC	Manufacturing	20-8266202	Mendon, MI	Retained
IAC Port Huron, LLC	Manufacturing	20-8266231	Port Huron, MI	Qualified New or Retained
IAC St. Clair, LLC	Manufacturing	26-0563429	St. Clair, MI	Qualified New or Retained
IAC Warren, LLC	Manufacturing	20-8266458	Warren, MI	Qualified New or Retained

(p) "MEGA Employment Credit" or "Employment Credit" means a credit against the Single Business Tax authorized by Section 38g(20)(b) of Public Act 726 of 2002 and/or Section 37c of Public Act 23 of 1995.

(q) "MEGA Tax Credit" or "Tax Credit" means a MEGA Employment Credit.

(r) "New Capital Investment" means as defined in the Act.

(s) "Person" means an individual or Business.

(t) "Project" means the Facilities or sites at which the Company or a Subsidiary Company will create Qualified New Jobs or locate Retained Jobs as described under Project Description.

(u) "Qualified New Job" means a Full-time Job at the Qualified New Jobs Facilities held by a Michigan resident employed by the Company, or a Subsidiary Company, that is:

(1) created by the Company or a Subsidiary Company on or after the date of execution of this Agreement,

(2) in excess of the Base Employment Level.

(v) "Qualified New Jobs Facilities" means IAC Port Huron, LLC; IAC St. Clair, LLC; or IAC Warren, LLC.

(w) "Retained Job" means a Full-Time Job held by a Michigan resident employed by the Company or a Subsidiary Company that is maintained at a Facility after the date of execution of this Agreement. A Retained Job does not include a job transferred from a Michigan location of a business that on or after November 13, 2007, acquires or otherwise gains control of the Company, is acquired or controlled by the Company or a Subsidiary Company, or comes under common control with the Company or a Subsidiary Company.

(x) "Salaries and Wages" means wages, tips and other compensation reported in Box 1 of the employees' W-2 forms.

(y) "Statement of Eligibility" or "Statement" means the certified statement required by Section 4.3 of this Agreement.

(z) "Subsidiary Company" means IAC Alma, LLC, FEIN 20-8265577; IAC Mendon, LLC, FEIN 20-8266202; IAC Plymouth, LLC, FEIN 26-0563708; IAC Port Huron, LLC FEIN 20-8266231; IAC St. Clair, LLC FEIN 26-0563429; and IAC Warren, LLC FEIN 20-8266458 so long as each is directly or indirectly controlled by, or is 80 percent owned by the Company. For purposes of this definition, "controlled" means the power to direct or cause the direction of the management and policies of the business.

## **2.0 REPRESENTATIONS**

**2.1 Representations by the MEGA.** With respect to the Agreement, the MEGA makes the following representations as of the date of execution of this Agreement:

(a) The MEGA is a public body established and acting pursuant to the Act.

(b) The MEGA has the necessary power under the Act to grant MEGA Tax Credits and has duly taken all action on its part required to authorize, execute and deliver this Agreement. This Agreement, when executed, will be valid, binding and enforceable in accordance with its terms.

(c) Upon execution of this Agreement, the MEGA will issue the Company's Initial Tax Credit Certificate in the form attached to this Agreement.

**2.2 Representations by the Company.** With respect to the Agreement, the Company makes the following representations and warranties as of the date of execution of this Agreement:

(a) Existence and Power. The Company is validly existing and is in good standing under the laws of the State of Delaware, and is duly qualified to transact business in Michigan.

(b) Corporate Authority. The execution, delivery and performance by the Company of the Agreement have been duly authorized by all necessary corporate action and will not violate any provision of law or of its articles of organization, its bylaws, or its operating agreement.

(c) Full Disclosure. Neither this Agreement, the Company's Application, nor any written statements furnished by the Company to the MEGA in connection with the authorization of a MEGA Tax Credit contain any untrue statement of a material fact or omit a material fact.

(d) Eligibility. The Company will maintain Retained Jobs or create Qualified New Jobs at the Project generally classified under SIC Code 3714.

(e) Project Description. The Company will make New Capital Investment at the Project that will result in the maintenance by the Company of the minimum of 2,100 Retained Jobs at the Administrative Facilities and Manufacturing Facilities defined in Section 1.0, no later than Anniversary Date. The 2,100 minimum shall include at least 500 Retained Jobs at IAC Mendon, LLC. The Retained Jobs maintained at the Administrative Facilities will pay an Average Weekly Wage of at least \$1,641 and the Qualified New Jobs created and Retained Jobs maintained at the Manufacturing Facilities will pay an Average Weekly Wage of at least \$550. At no time will the average wage paid for the Qualified New Jobs or the Retained Jobs be less than 150 percent of the federal minimum wage.

The Project is economically sound and the investment capital and/or financing needed to complete the Project is now committed or will soon be available to the Company.

(f) Need for MEGA Tax Credits. The Tax Credits authorized by this Agreement address the competitive disadvantages of remaining in Michigan instead of a site outside this State. The Project will not occur in Michigan without the tax credits offered by this Agreement and the Act.

(g) Site Reuse. The Company has considered the reuse or redevelopment of property previously used for an industrial or commercial purpose and the company has determined the use of such property is feasible in locating various aspects of the Project.

(h) Certification. The Company has made the certifications required by Section 8(3)(f) of the Act, which are attached to this Agreement as Schedule B.

(i) Binding Agreement. When executed by both parties, this agreement will be a valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

### **3.0 MEGA TAX CREDIT**

Based upon the Application and the Company's representations and warranties in this Agreement, the Authority authorizes the following tax credits subject to the conditions in Section 4.0 of this Agreement.

#### **3.1 Employment Credit**

(a) An Employment Credit of 50 percent of the state's personal income tax rate, as it exists at the beginning of the Company's tax year for which the credit is being sought, multiplied by the total Salaries and Wages, before deducting any personal or dependency exemptions of employees performing Retained Jobs. The Employment



Credit is authorized for ten consecutive tax years beginning with the Company's tax year ending December 31, 2007.

(b) An Employment Credit of 75 percent of the state's personal income tax rate, as it exists at the beginning of the Company's tax year for which the credit is being sought, multiplied by the total Salaries and Wages, before deducting any personal or dependency exemptions of employees performing Qualified New Jobs at the Qualified New Jobs Facilities assuming at least 50 Qualified New Jobs are created at any combination of these facilities. The Employment Credit is authorized for ten consecutive tax years beginning with the Company's tax year ending December 31, 2007.

(c) No more than 2,409 Retained Jobs and 200 Qualified New Jobs may be used in calculating the Employment Credit as provided in Section 38g(20)(b) and/or Section 37c of Public Act 228 of 1975, as amended.

(d) The maximum amount of total Salaries and Wages that may be used in any single tax year in calculating the Employment Credit, for any one Qualified New Job or any one Retained Job, is \$250,000.

#### **4.0 CONDITIONS OF THE MEGA TAX CREDITS**

**4.1 Eligibility.** The Company shall not be eligible for the Tax Credit on Retained Jobs and/or Qualified New Jobs as provided in Section 3.0 of this Agreement unless:

(a) The Company maintains a minimum of 2,100 Full-Time Jobs at the Facilities no later than the Anniversary Date, as described in Schedule A. Of those 2,100 Full-Time Jobs, at least 500 must be Retained Jobs at IAC Mendon, LLC, as described in Schedule A.

(b) Specifically with regard to receiving a tax credit on Qualified New Jobs, the statutory minimum of 50 Qualified New Jobs have been created at any combination of the Qualified New Jobs Facilities no later than the Anniversary Date.

(c) The Average Weekly Wage paid to all employees with Retained Jobs at Administrative Facilities is at least \$1,641 and the Average Weekly Wage paid to all employees with Qualified New Jobs and/or Retained Jobs at Manufacturing Facilities is at least \$550.

(d) The Company has made New Capital Investment as defined in the Act, in the Project, no later than the Anniversary Date.

(e) In any given tax year, the Company may receive a Tax Credit only if the minimum number of Retained Jobs required by Schedule A has been maintained during that tax year.

(f) The Company may not count as a Qualified New Job any job that is transferred to the Project from: (i) a Michigan location of a Business that is listed in the Company's Application, or (ii) a Michigan location of a Business that, on or after the date of the Company's Application, acquires or otherwise gains control of the Company, is acquired or controlled by the Company, or comes under common control with the Company.

**4.2 Anniversary Date Extension.** The Company may make a request of the MEGA to extend its Anniversary Date to June 30, 2009 if the legislature creates a new tax and authorizes the MEGA to grant tax credits against that new tax, and if the Company meets the legal requirements required for a tax credit against the new business tax. The Company may also request that the number of years of credit that it was originally

granted remains unchanged. The MEGA is not representing that a request will be granted.

**4.3** Statement of Eligibility. Any time after 2,100 Retained Jobs have been located at the Facilities of the Project, and which 2,100 Retained Jobs shall include at least 500 Retained Jobs that have been located at IAC Mendon, LLC, but within 30 days after the Anniversary Date, and in all cases prior to or concurrent with the first application for a Tax Credit Certificate, the Company shall file a Certified Statement of Eligibility in a form specified by the Authority. The Statement shall contain the following information:

- (a) The number of Retained Jobs at Administrative Facilities.
- (b) The number of Retained Jobs at Manufacturing Facilities, including the specific number of Retained Jobs at IAC Mendon, LLC.
- (c) The number of Qualified New Jobs at IAC Port Huron, LLC, IAC St. Clair, LLC and IAC Warren, LLC.
- (d) The Average Weekly Wage paid to employees with Retained Jobs at Administrative Facilities and Manufacturing Facilities.
- (e) The Average Weekly Wage paid to employees with Qualified New Jobs.
- (f) The dollar amount of New Capital Investment in the Project.
- (g) A certification by an authorized officer of the Company that the information provided in the Statement of Eligibility is true.

**4.4.** Tax Credit Certificate. To obtain a Tax Credit Certificate in connection with the tax credits authorized in this Agreement for Retained Jobs and/or Qualified New Jobs in any tax year, the Company shall:

(a) Maintain a minimum of 2,100 Retained Jobs at the Facilities of the Project, which minimum includes 500 Retained Jobs at IAC Mendon, LLC as required by Schedule A of this Agreement, for the applicable tax year. In computing the number of Retained Jobs at the Project in any tax year, the Company shall determine the number of Retained Jobs at the Project as of the last day of each of the four quarters of the applicable tax year, total the results for the four quarters, and divide the sum by four (4).

(b) In order for a credit to include and be taken on Qualified New Jobs, maintain a minimum of 50 Qualified New Jobs at any combination of the Qualified New Jobs Facilities as required by Schedule A of this Agreement, for the applicable tax year. In computing the number of Qualified New Jobs at the Project in any tax year except the first year of the credit, the Company shall determine the number of Qualified New Jobs at the Project as of the last day of each of the four quarters of the applicable tax year, total the results for the four quarters, and divide the sum by four (4).

In computing the number of Qualified New Jobs for the first year of the credit, the Company shall determine the number of Qualified New Jobs as of the last day of each quarter of the applicable tax year and beginning with the first quarter in which there are at least 50 Qualified New Jobs, compute the average number of Qualified New Jobs over the remaining quarters of the tax year.

(c) Pay an Average Weekly Wage in connection with the Retained Jobs at Administrative Facilities of at least \$1,641 and pay an Average Weekly Wage in connection with the Qualified New Jobs and/or Retained Jobs at Manufacturing Facilities of at least \$550 as required by Schedule A of this Agreement for the applicable tax year.

(d) Pay an average hourly wage in connection with Retained Jobs and/or Qualified New Jobs that equals or exceeds 150 percent of the highest hourly federal minimum wage in effect for the applicable tax year.

(e) Make an Application to the MEGA for a Tax Credit Certificate as provided in Section 5.0 of this Agreement.

(f) Provided that the Company has initially satisfied the requirements of Section 4.1, failure of the Company to satisfy the requirements of Section 4.4 in any given year does not preclude the Company from qualifying for and obtaining a Tax Credit in any other year, if authorized by Section 3.1 of this Agreement.

**4.5 Audit and Verification.** The information provided in the Application, the Application for a MEGA Tax Credit Certificate, and the Statement of Eligibility is subject to audit and verification by the Authority or its designee. Upon reasonable advance notice to the Company by the Authority, which notice shall not be less than ten (10) days, the Company shall permit the Authority or its designee, during normal business hours, to inspect its files solely for the purpose of verifying eligibility for the Tax Credits authorized by this Agreement. The files subject to inspection include, but are not limited to, those relevant to wage and hour records, job classification, job assignments and employment histories.

The Authority or its designee shall use all information received pursuant to inspection of the files solely for the purpose of verifying eligibility for the Tax Credits authorized by this Agreement. The Company may request confidentiality pursuant to Section 5(3) of the Act on financial or proprietary information retained by the Authority in the course of its inspection of the files. This request will be evaluated and determination

made based on the sole discretion of the Authority based on the standards established in the Act.

**4.6 Administrative Fee.** The Company must pay a one-time administrative fee of \$100,000 to MEGA upon submission of the Certified Statement of Eligibility required by Section 4.3. The administrative fee is one-half of one percent of the MEGA Cost, as reported in current dollars, in the cost/benefit analysis of the Project, as present to the MEGA at the time the Tax Credit was authorized.

**5.0 ANNUAL APPLICATION FOR TAX CREDIT CERTIFICATE**

**5.1** For each year that it seeks a Tax Credit under this Agreement, the Company shall complete an Application for a MEGA Tax Credit Certificate.

**5.2** The Certificate Application shall be filed with the Authority at least 45 days prior to the day the Company's business tax return is due. If the Company receives an extension of the deadline to file its Michigan business tax return, the Company shall notify the MEGA of the extension and the Certificate Application shall be filed with the Authority at least 45 days prior to the extended deadline.

**5.3** The form of the Certificate Application shall be as specified by the Authority from time to time. The Certificate Application shall contain the following information:

(a) The Base Employment Level.

(b) The number of Retained Jobs at the Project as of the end of each of the four quarters in the applicable tax year, including the specific number of Retained Jobs at the IAC Mendon, LLC facility.

(c) The number of Qualified New Jobs at the Qualified New Jobs Facilities as of the end of each of the four quarters in the applicable tax year.

(d) The total Salaries and Wages, before deducting any personal or dependency exemptions, paid to employees who performed Retained Jobs at Administrative Facilities and Manufacturing Facilities during the applicable tax year.

(e) The total Salaries and Wages, before deducting any personal or dependency exemptions, paid to employees who performed Qualified New Jobs at the Qualified New Jobs Facilities during the applicable tax year.

(f) Any other information that is reasonably related to determining the applicable Tax Credit.

(g) A certification by an Authorized Officer of the Company that the information provided in a Certificate Application is true.

**5.4** The information in a Certificate Application is subject to audit and verification by the Authority or its designee consistent with Section 4.5 of this Agreement.

**5.5** Within 45 days of receiving a complete Certificate Application, the MEGA will review that application to determine whether the requirements of this Agreement have been satisfied and, if so, will calculate the credit authorized under this Agreement and issue a Tax Credit Certificate to the Company.

## **6.0 ADJUSTMENT, REDUCTION, OR TERMINATION OF CREDITS**

**6.1** If the Company does not comply with the conditions required in Section 4.1, this Agreement is void, the Company is no longer an authorized business for purposes of the Act and no Tax Credits will be authorized under this Agreement.

**6.2** Failure of the Company to comply with any provision of this Agreement, other than as a result of a clerical or technical error which is corrected when it is discovered to be an error, may result in revocation of the Company's designation as an authorized

business or the reduction or loss of Tax Credits for which a Certificate has not yet been issued.

**6.3** A Tax Credit authorized by the Authority is subject to adjustment in any tax year following the tax year for which a Tax Credit Certificate was issued, if the information on which the tax credit certification was based is found to be incorrect or cannot be verified.

**6.4** If the Authority determines that the Company misrepresented information in order to qualify the Company for, or increase the amount of the Company's Tax Credit, the Authority may revoke the Company's designation as an authorized business and notify the Michigan Department of Treasury of that revocation. Any tax credits that have been received based upon a misrepresentation may be subject to recovery by the State of Michigan.

**6.5** Prior to taking any adverse action against the Company under Sections 6.1, 6.2, 6.3, or 6.4, the Authority shall provide the Company with written notification of its intent to take such action and the basis for that action shall provide the Company with a reasonable opportunity to respond.

## **7.0 RECOVERY OF CREDIT FOR JOB REDUCTIONS**

If the number of Full-time Jobs at the Project falls below 1,750 for reasons other than routine business purposes (e.g., retooling, change over, etc.) or by force majeure during the life of the credit, the last two years of credits received will be subject to repayment to the Michigan Department of Treasury.

The method used to determine whether the Company has maintained 1,750 Full-time Jobs as required by this Section, shall be the same as provided for determining the number of Full-time Jobs in Section 4.4(a) of the Agreement.



Any amounts owed the state of Michigan pursuant to this Section 7.0 are due and payable within 120 days of the end of the tax year that employment falls below 1,750 Full-time Jobs at the Project.

**8.0 MISCELLANEOUS**

**8.1 Assignment of Credits.** The Tax Credits authorized by this Agreement shall not be transferred or assigned to any other Person. In the event a Person acquires all or substantially all of the assets of the Company in Michigan, after the date of this Agreement, the Authority shall authorize the transfer of the Company's rights under this Agreement to that Person if:

(a) The Person agrees in writing to assume all of the responsibilities of the Company under this Agreement.

(b) The Authority determines that the transfer would serve the purposes of the Act and this Agreement.

**8.2 Reporting.** The Company shall provide the MEGA with the information regarding its participation in the Tax Credit Program as the MEGA may reasonably require while this Agreement is effective.

**8.3 Severability.** If any provision of this Agreement is held illegal or invalid by any court, the invalidity of that provision shall not affect the remainder of this Agreement, and the Agreement shall be construed and enforced as if such illegal or invalid provision had not been in the Agreement.

**8.4 Notices.** All notices, certificates, requests or other communications hereunder shall be sufficiently given when delivered, if delivered by registered or certified mail,

return receipt requested, or by messenger or professional courier service, addressed as follows:

**If to the MEGA:** Michigan Economic Growth Authority  
Michigan Economic Development Corporation  
300 North Washington Square  
Lansing, Michigan 48913  
Attention: MEGA Board Secretary

**If to the Company:** International Automotive Components Group N.A., Inc.  
5300 Auto Club Drive  
Dearborn, Michigan 48126  
Attention: Claudia Obermueller, Vice-President, Tax

**8.5 Entire Agreement and Amendment.** Subject to the Act, this Agreement and the attached Schedules contain the entire Agreement between the Company and the MEGA with respect to the matters described in the Agreement. This Agreement may not be amended except with the written consent of the Authority and the Company.


**8.6 Captions.** The captions in this Agreement are for convenience only and in no way limit the intent of any provision of this Agreement.

**8.7 Interpretation.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan.

**8.8 WARN Act.** The Company shall provide the MEGA with copies of any notices required for facilities within the State of Michigan pursuant to the federal Worker Adjustment and Retraining Notification Act (Public Law 100-379).

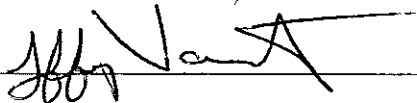
8.9 Acceptance. The terms of this Agreement are accepted this 21<sup>st</sup> day of December, 2007.

**Michigan Economic Growth Authority**

By  \_\_\_\_\_

Peter C. Anastor  
Secretary to the MEGA Board

**International Automotive Components Group North America, Inc.**

By  \_\_\_\_\_

Mr. Jeffrey Vanneste  
Vice President and Chief Financial Officer

**International Automotive Components Group North America, Inc.**

**Schedule A: Minimum Employment and Wage Levels**

**to Qualify for the Jobs Tax Credits**

Year of Credit	Tax Year Ending on or Before December 31	Minimum Number of Retained Jobs**	Minimum Number of Retained Jobs at IAC Mendon,	Base Employment Level	Minimum Number of Qualified New Jobs*	Administrative Facilities Minimum Average Weekly Wage	Manufacturing Facilities Minimum Average Weekly Wage
1	2007	2,100	500	2,409	50	\$1,641	\$550
2	2008	2,100	500	2,409	50	\$1,641	\$550
3	2009	2,100	500	2,409	50	\$1,641	\$550
4	2010	2,100	500	2,409	50	\$1,641	\$550
5	2011	2,100	500	2,409	50	\$1,641	\$550
6	2012	2,100	500	2,409	50	\$1,641	\$550
7	2013	2,100	500	2,409	50	\$1,641	\$550
8	2014	2,100	500	2,409	50	\$1,641	\$550
9	2015	2,100	500	2,409	50	\$1,641	\$550
10	2016	2,100	500	2,409	50	\$1,641	\$550

\* If the Company includes Qualified New Jobs in the credit calculation, then at least 50 Qualified New Jobs must be created at the Qualified New Jobs Facilities.

\*\* Includes 500 Retained Jobs required at Mendon, so the Company and affiliates are required to maintain at least 2,100 Retained Jobs at the Facilities, which includes the 500 Retained Jobs at Mendon.

**International Automotive Components Group North America, Inc.**

**Schedule B**

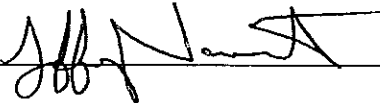
International Automotive Components Group North America, Inc. certifies that:

1. It will follow a competitive bid process, open to all Michigan residents and firms, for the construction, rehabilitation, development or renovation of the Facilities relating to the Project, and that it will not discriminate against any contractor on the basis of its affiliation or non-affiliation with any collective bargaining organization.

2. It will make a good faith effort to employ, if qualified, Michigan residents at the Facilities.

3. It will make a good faith effort to employ or contract with Michigan residents and firms to construct, rehabilitate, develop, or renovate the Facilities.

Certified this 20<sup>th</sup> day of December, 2007

By:  \_\_\_\_\_

Mr. Jeffrey Vanneste  
Vice President and Chief Financial Officer

Certificate Number



**Initial Tax Credit Certificate**

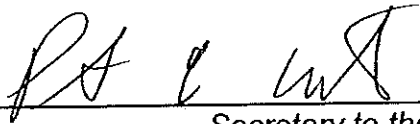
Issued this 21<sup>st</sup> day of December, 2007, by the

**Michigan Economic Growth Authority**

to International Automotive Components Group N.A., Inc., Employer Identification Number, 20-8306510, which is an Authorized Business pursuant to Public Act 24 of 1995, as amended.

The MEGA authorizes to International Automotive Components Group N.A., Inc., an Employment Credit of 50 percent for ten consecutive tax years, beginning with the Company's tax year ending December 31, 2007 under Section 38g (20)(b) of Public Act 726 of 2002 and an Employment Credit of 75 percent for ten consecutive tax years, beginning with the Company's tax year ending December 31, 2007 under Section 37c of Public Act 228 of 1975, as amended.

The Michigan Legislature encourages recipients of MEGA Tax Credits to make a good faith effort to use Michigan-based suppliers and vendors when purchasing goods and services.

By  \_\_\_\_\_  
Secretary to the MEGA Board