

**IMPLEMENTATION AGREEMENT BETWEEN
THE STATE OF MICHIGAN
AND
THE JAPAN EXTERNAL TRADE ORGANIZATION**

In order to achieve the mutually desired goal of increasing Michigan-Japan business, the State of Michigan and the Japan External Trade Organization (JETRO) agrees to undertake the joint cooperative effort, "The Michigan-JETRO Program", with the full recognition and support of both the Japanese Ministry of International Trade and Industry (MITI) and the United States Department of Commerce (USDOC).

This program is undertaken with the full support of the State of Michigan and JETRO. Both Governor John Engler and Chairman and CEO Noboru Hatakeyama direct their respective agencies to implement the cooperative program and pledge to give their best efforts to assure that sufficient resources will be committed to the program to assure full success.

The two parties have agreed that the Michigan-JETRO Program will include, as far as possible, the following components:

A. Dispatching of the JETRO Senior Trade Advisor

To support the joint effort to increase Michigan exports to Japan, JETRO agrees to dispatch a JETRO Senior Trade Advisor (JETRO STA) to work in Michigan until April 8, 2002. The JETRO STA will enjoy the full support of the Michigan Economic Development Corporation (MEDC), which directs an ongoing international business development effort focused on Japan.

B. Office Facilities

The JETRO STA will be stationed in the State of Michigan and will act as a senior advisor to MEDC. MEDC will provide, free of charge, administrative support, such as reasonable access to fax, copying and postage equipment, support staff, full-time exclusive secretary, and libraries, and use of conference room facilities. In addition, MEDC will provide the STA a private office space in Detroit, which will hold a mini-library and reasonable office equipment.

C. Cooperation Between JETRO and the State of Michigan

MEDC shall provide information about prospective Michigan exporters to Japan and will work with JETRO in its links with existing Michigan export promotion organizations, such as industrial associations and chambers of commerce.

D. JETRO Communication with State of Michigan Leaders

MEDC shall aid in the JETRO communication with state leaders and provide the JETRO STA with opportunities to report activities on an annual basis to the governor and MEDC President or their representatives. During such meetings with the Governor or MEDC President, the Chief Executive Director of JETRO Chicago will accompany the JETRO STA.

E. Publicity

MEDC staff shall provide publicity by issuing press releases to the local media to make prospective companies aware of the services being provided by the JETRO STA.

F. Dispatch of JETRO STA to Other States

In response to requests from other states and associations, or as may become necessary for the proper implementation of JETRO's export promotion programs, JETRO may, on occasion, dispatch the JETRO STA stationed in Michigan to neighboring states for short periods to assist in export promotion activities, such as seminars and direct consultation with companies.

G. JETRO Expenses

JETRO will provide adequate funds for the JETRO STA's salary, housing, health insurance, transportation and other costs which are directly related to his responsibilities.

H. Joint Export Promotion Activities

In order to assure the full success of the Michigan-JETRO Program, MEDC pledges to support JETRO's export expansion programs and the efforts of the Michigan-based STA by undertaking, at the discretion of MEDC as its budget allows, the following activities:

1. **Trade Fairs in Japan**

MEDC will publicize appropriate trade shows in Japan and encourage the participation of Michigan companies. JETRO will provide MEDC with updated lists of trade shows in Japan.

2. **Michigan Trade Missions to Japan**

Pending budget approval, MEDC will make efforts to organize and participate in export promotion missions to Japan.

3. **Japan Missions to Michigan**

MEDC agrees to host Japanese buying missions to Michigan by organizing seminars and business appointments with potential exporters, assisting with ground transportation, accommodations, reception arrangements and other support as needed.

4. **Export Seminars**

During the JETRO STA's stay in Michigan, MEDC will promote and participate in educational seminars aimed at teaching Michigan manufacturers and other potential exporters about exporting to Japan. The seminars will be held in the major metropolitan areas of Michigan.

5. **Business Support Center**

MEDC will publicize and encourage the participation of Michigan companies in JETRO's Business Support Centers, which provide comprehensive assistance to firms attempting to enter the Japanese market.

6. **Information Exchange**

MEDC and JETRO agree to exchange trade-related information including databases on exporters and importers. MEDC shall be responsible for data collection to identify products for export to Japan as well as exporters and manufacturers with interest in exporting to Japan. JETRO will be responsible for data collection to identify importers in Japan.

I. **Joint Investment Promotion Activities**

MEDC and JETRO agree to cooperate on the following investment promotion activities:

1. **Investment Missions**

MEDC and JETRO will cooperate in the planning of Michigan investment missions to Japan, as well as local Japanese investment missions to Michigan. The host organization will assist with business appointments, accommodations, reception arrangements and other support as needed.

2. **Information Exchange**

MEDC and JETRO agree to exchange investment-related information. JETRO shall be responsible for data collection to identify companies interested in investment in the State of Michigan.

3. **Business Presence in Japan**

In cooperation with JETRO and MEDC, the STA will assist Michigan companies with establishing a business presence in Japan.

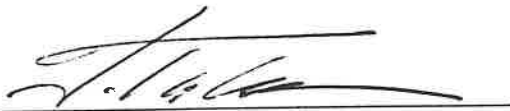
J. **Termination**

This agreement shall commence on the date of signing and shall terminate on November 30, 2001, unless otherwise changed in accordance with the terms of this agreement. Either party shall have the right, in such party's sole discretion and such party's sole option, to terminate and bring to an end all performances to be rendered under this contract, such termination to be effective sixty (60) days after the receipt of written notification of termination by either party. Only an officer signing this agreement

or the successor thereof shall have the right to terminate this agreement. Should either party exercise its right to terminate, then this contract will terminate in accordance with the terms mentioned above. Upon termination, neither JETRO nor the State of Michigan shall be liable for any further expenses or costs related to this agreement.

K. Indemnification

Each party to this agreement must seek its own legal representative and bear its own costs, including judgments, in any litigation which may arise from the performance of this Agreement. It is specifically understood and agreed that neither party will indemnify the other party in such litigation.



Nobumasa Take
Chief Executive Director
JETRO, Chicago



A. Douglas Rothwell, CEO
and Department Director
Michigan Economic Development
Corporation

April 9th, 1999
Date