

CONTRACT NO. 2020-0608  
AGENDA: DIR

**MICHIGAN DEPARTMENT OF TRANSPORTATION**

**CAVNUE, LLC**

**CONTRACT**

This Contract is made and entered into this date of \_\_\_\_\_ by and between the Michigan Department of Transportation (MDOT) and Cavnue, LLC (CAVNUE), c/o Sidewalk Infrastructure Partners, of 237 36<sup>th</sup> Street, Brooklyn, New York 11232, for the purpose of MDOT engaging CAVNUE to assist with the planning, concept development, and preliminary design (Phase 1) for the development and implementation of a connected and automated vehicle corridor (CAV-C) to operate in support of a larger cooperative automated transportation landscape, at no cost to MDOT, as set forth in the Request for Proposals, attached hereto as part of Exhibit B. CAVNUE will serve as the Master Developer for the CAV-C project.

The parties agree that:

CAVNUE WILL:

1. Perform the work set forth in Exhibit A and Exhibit B, attached hereto and made parts hereof (Project).
2. Perform all Project work in conformity with MDOT's applicable standards and guidelines.
3. During the performance of the Project herein defined, be responsible for any loss of or damage to original documents belonging to MDOT while they are in CAVNUE's possession. Restoration of lost or damaged original documents will be at CAVNUE's expense.
4. Make such trips to confer with representatives of MDOT as may be necessary in the carrying out of the Project set forth in this Contract.
5. Submit written progress reports to MDOT that outline the work accomplished during the reporting period; identify any problems, real or anticipated, associated with the conduct of the Project; and identify any deviations from the agreed upon work plan.
6. Prepare the graphics and text for all reports in a form suitable and acceptable to MDOT, such suitability and acceptability to be determined by MDOT. This section is limited to

the format of the graphics and text. Nothing herein is to be construed as allowing MDOT to declare as unsuitable or unacceptable any of the graphics or text because of the conclusions arrived at by CAVNUE through analysis of data collected for this project.

As used throughout this Contract, the words “satisfactory” and “acceptance” are defined to mean that the product is in the format required and is completely in accordance with the Contract requirements; however, it does not mean that the conclusions arrived at for this Project must be approved or agreed to by MDOT.

7. Prepare and submit to MDOT a written preliminary copy of the Final Project Report in accordance with the work plan set forth in Exhibit A and/or Exhibit B for its review and acceptance prior to submission of the Final Project Report. MDOT will notify CAVNUE of its acceptance or rejection of the Final Project Report within sixty (60) days of receipt of same from CAVNUE.
8. Submit any proposed publication by CAVNUE or its subcontractors of the results of project work for prior review and acceptance by MDOT. Such review and acceptance are for MDOT’s own purposes and do not relieve CAVNUE of any of its obligations and responsibilities for any claims arising out of such publication. Any such publication will include proper credit for all parties to this Contract.
9. Permit representatives of MDOT and other authorized public agencies interested in the Project to have full access to the Project during CAVNUE’s performance.
10. THIS SECTION LEFT INTENTIONALLY BLANK
11. Provide insurance in the amounts and types set forth below, at a minimum, for the life of the Contract. CAVNUE will submit certificates of insurance to MDOT before the award of the Contract, as requested by MDOT. The insurer must provide at least thirty (30) days written notice of cancellation or change to MDOT. CAVNUE is responsible for verifying that its subconsultants are in compliance with MDOT’s insurance requirements.

Required Limits	Additional Requirements
<b>Commercial General Liability Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations	The Consultant must have its policy endorsed to add “the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents” as additional insureds.
<b>Automobile Liability Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	
<b>Workers' Compensation Insurance</b>	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.

<b>Employers Liability Insurance</b>	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
<b>Professional Liability (Errors and Omissions) Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Per Claim	

12. If MDOT discloses its confidential information to CAVNUE, CAVNUE will maintain such information as confidential. Information provided by MDOT will be deemed confidential if it is marked confidential or stated in writing to be confidential. The above obligations of confidentiality will not apply to:
- a. Information for which MDOT gives prior written permission for publication or use.
  - b. Information that is required to be disclosed based on court order.

A violation of this provision will be considered a breach of this Contract, and MDOT may terminate this Contract under the provisions of Section 23.

News releases pertaining to this Contract or the project to which it relates will not be made without prior written approval from MDOT, and then only in accordance with explicit instructions from MDOT. News releases made without MDOT’s approval will be considered a breach of the Contract, and MDOT may terminate this Contract under the provisions of Section 23.

13. THIS SECTION LEFT INTENTIONALLY BLANK

MDOT WILL:

- 14. MDOT will collaborate with CAVNUE on the Project and comply with its obligations set forth in Exhibit A. MDOT will provide CAVNUE with access to MDOT standards and information in its possession and related to the Project that CAVNUE specifically requests, except for such standards and information as CAVNUE is specifically required to provide.
- 15. THIS SECTION LEFT INTENTIONALLY BLANK
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IT IS FURTHER AGREED THAT:

18. The parties will consider the Project to be complete when accepted by MDOT. Such acceptance by MDOT is not intended to nor does it relieve CAVNUE of any of its obligations and responsibilities herein.
19. Any change in the scope, character, or term of this Contract will only be by award of a prior written amendment to this Contract by the parties.
20. When delays are caused by circumstances or conditions beyond the control of CAVNUE, as determined by MDOT, CAVNUE may be granted an extension of time, as set forth in Section 46. Such extension will not operate as a waiver by MDOT of any of its rights herein set forth.
21. THIS SECTION LEFT INTENTIONALLY BLANK
22. MDOT and CAVNUE will agree on the Key People to be assigned to the Project Team prior to any work being performed. CAVNUE will not replace any Key People assigned to the Project Team without prior written approval from MDOT. MDOT has the right to disapprove proposed replacements, and CAVNUE is required to find alternative replacements that are acceptable to MDOT. The replacement of Key People from the Project Team without MDOT's prior written approval will be considered a breach of this Contract, and MDOT may terminate this Contract under the provisions of Section 23. If a member of the Project Team who is one of the Key People leaves the Project Team, CAVNUE will replace that person with a person who is acceptable to MDOT in accordance with the MDOT "Consultant Loss of Key Staff Notification Process," dated February 9, 2015. Failure by CAVNUE to find an acceptable replacement to the Project Team will be considered a breach of this Contract, and MDOT may terminate this Contract under the provisions of Section 23. "Key People" are defined as those people whose qualifications and experience are essential to providing a quality Project. "Project Team" means the personnel assigned by CAVNUE and the subconsultant(s) who are responsible for the completion of the Project.
23. MDOT may terminate this Contract for convenience or cause, as set forth below, before the Project is completed. Written notice of termination will be sent to CAVNUE.

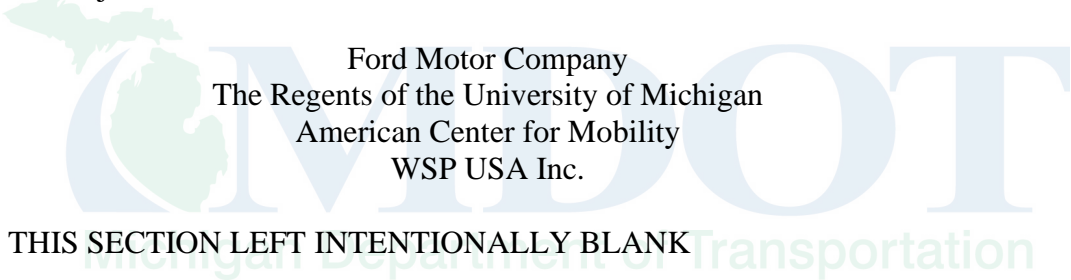
In the event CAVNUE fails to complete any of the Project work in a manner satisfactory to MDOT, and/or discloses MDOT's confidential information, in violation of the provisions of Section 12, and/or replaces any Key People without prior written approval from MDOT, as set forth in Section 22, and/or fails to find an acceptable replacement to the Project Team, as set forth in Section 22, and/or makes any public relations communications and/or products that are intended for an external audience without prior written approval from MDOT, as set forth in Section 44, MDOT may terminate this Contract for cause. Written notice of termination will be sent to CAVNUE.

24. THIS SECTION LEFT INTENTIONALLY BLANK

25. This Contract is personal to the parties and cannot be assigned. CAVNUE will not sublet any portion of the Project without MDOT's approval of CAVNUE's Intent to Subcontract form.

Such approval of any Intent to Subcontract form is given solely for the purposes of MDOT. Approval does not constitute an assumption of liability, a waiver, or an estoppel to enforce any of the requirements of this Contract, nor will any such approval by MDOT be construed as a warranty of the third party's qualifications, professional standing, ability to perform the work being subcontracted, or financial integrity. The Intent to Subcontract form does not replace the traditional subcontract or subcontract amendment between CAVNUE and its subconsultant. MDOT or its representative may inspect, copy, scan, or audit the traditional subcontract records at any reasonable time after giving reasonable notice.

The following named subconsultants, as set forth in Exhibit A, will perform portions of the Project:



Ford Motor Company  
The Regents of the University of Michigan  
American Center for Mobility  
WSP USA Inc.

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27. All questions that may arise as to the quality and acceptability of work, the manner of performance and rate of progress of the work, the interpretation of designs and specifications, and the satisfactory and acceptable fulfillment of the terms of this Contract will be decided by MDOT.

28. In connection with the performance of the Project under this Contract, CAVNUE (hereinafter in Appendix A referred to as the "contractor") agrees to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix A, dated June 2011, attached hereto and made a part hereof. This provision will be included in all subcontracts relating to this Contract.

29. THIS SECTION LEFT INTENTIONALLY BLANK

30. CAVNUE specifically agrees that in the performance of the Project herein enumerated, by itself, or by an approved subcontractor, or by anyone acting on its behalf, it will comply with any and all state, federal, and local statutes, ordinances, and regulations and

will obtain all permits that are applicable to the entry into and the performance of this Contract.

31. CAVNUE warrants that it has not employed or retained any company or person other than bona fide employees working solely for CAVNUE to solicit or secure this Contract and that it has not paid or agreed to pay any company or person, other than bona fide employees working solely for CAVNUE, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Contract. For breach or violation of this warranty, MDOT will have the right to terminate this Contract without liability or, at its discretion, to deduct from the contract price or consideration or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

32. If MDOT does not wish to subscribe to the findings or conclusions of the Project, the following statement will be added to the credit line of all reports published by CAVNUE or by MDOT:

*“The opinions, findings, and conclusions expressed in this publication are those of the authors and not necessarily those of the Michigan State Transportation Commission or the Michigan Department of Transportation or the Federal Highway Administration.”*

33. THIS SECTION LEFT INTENTIONALLY BLANK

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35. Any and all information received by MDOT under this Contract is subject to the Michigan Freedom of Information Act and may be used by MDOT and/or any other department and/or office of the State of Michigan for any other purpose, including, but not limited to, statistical purposes, reports, presentations, publications, and/or press releases, etc.

36. If patentable or copyrightable discoveries or inventions, as determined by United States patent or copyright law, should result from work performed under this Contract, CAVNUE may file a patent application and/or register a copyright. CAVNUE will notify MDOT of any patent applications and copyrights resulting from work performed under this Contract. CAVNUE will grant to all Michigan state and local governmental agencies and the United States government a worldwide, irrevocable, nonexclusive, fully paid-up, and royalty-free license to reproduce, publish, or otherwise use and to authorize others to use the work for governmental purposes, whether or not a patent or copyright is obtained. CAVNUE will provide MDOT with notice of any patentable or copyrightable results generated during and under this Contract. Any patentable or copyrightable discoveries or inventions resulting from work performed under this Contract will be subject to the applicable federal regulations, including, but not limited to, 37 CFR Part 401, 35 USC



Sections 202, 203, and 204, and 49 CFR Part 19, as applicable, the provisions of which are attached hereto and made a part hereof by reference.

For all Project work that results in software development, for governmental purposes, CAVNUE will provide MDOT with a worldwide, irrevocable, nonexclusive, fully paid-up, and royalty-free license to use the source code(s) for the software developed in digital format and/or as specified in the scope of work. "Software" means computer programs, source codes, source code listings, object code listings, design details, algorithms, processes, flowcharts, formulae, and related material that would enable the software to be reproduced, recreated, or recompiled.

37. In addition to the protection afforded by any policy of insurance, CAVNUE agrees to indemnify, defend, and save harmless the State of Michigan, the Michigan State Transportation Commission, MDOT, and all officers, agents, and employees thereof:
- a. From any and all claims by persons, firms, or corporations for labor, services, materials, or supplies provided to CAVNUE in connection with CAVNUE's performance of the Project; and
  - b. From any and all claims for injuries to or death of any and all persons, for loss of or damage to property, for environmental damage, degradation, and response and cleanup costs, and for attorney fees and related costs arising out of, under, or by reason of CAVNUE's performance of the Project under this Contract, except claims resulting from the sole negligence or willful acts or omissions of said indemnitee, its agents, or its employees.

MDOT will not be subject to any obligations or liabilities by contractors of CAVNUE or their subcontractors or any other person not a party to this Contract without its specific consent and notwithstanding its concurrence with or approval of the award of any contract or subcontract or the solicitation thereof.

It is expressly understood and agreed that CAVNUE will take no action or conduct that arises either directly or indirectly out of its obligations, responsibilities, and duties under this Contract that results in claims being asserted against or judgments being imposed against the State of Michigan, the Michigan State Transportation Commission, , and/or MDOT, as applicable.

In the event that the same occurs, it will be considered as a breach of this Contract, thereby giving the State of Michigan, the Michigan State Transportation Commission, , and/or MDOT, as applicable, a right to seek and obtain any necessary relief or remedy, including, but not limited to, a judgment for money damages.

38. In accordance with 1980 PA 278, MCL 423.321 *et seq.*, CAVNUE, in the performance of this Contract, will not enter into a contract with a subcontractor, manufacturer, or supplier

listed in the register maintained by the United States Department of Labor of employers who have been found in contempt of court by a federal court of appeals on not less than three (3) occasions involving different violations during the preceding seven (7) years for failure to correct an unfair labor practice, as prohibited by Section 8 of Chapter 372 of the National Labor Relations Act, 29 USC 158. MDOT may void this Contract if the name of CAVNUE or the name of a subcontractor, manufacturer, or supplier utilized by CAVNUE in the performance of this Contract subsequently appears in the register during the performance of this Contract.

39. CAVNUE agrees that no otherwise qualified individuals with disabilities in the United States, as defined in the Americans with Disabilities Act, 42 USC 12101 *et seq.*, as amended, and regulations in implementation thereof (29 CFR Part 1630) will, solely by reason of their disabilities, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving benefits under this Contract.
40. CAVNUE agrees that it will not volunteer, offer, or sell its services to any litigant against MDOT with respect to any Project work it has agreed to perform for MDOT under this Contract, provided that this provision will not apply either when CAVNUE is issued a valid subpoena to testify in a judicial or administrative proceeding or when the enforcement of this provision would cause CAVNUE to be in violation of any Michigan or federal law.
41. Any approvals, acceptances, reviews, and/or inspections of any nature by MDOT will not be construed as warranties or assumptions of liability on the part of MDOT. It is expressly understood and agreed that any such approvals, acceptances, reviews, and/or inspections are for the sole and exclusive purposes of MDOT, which is acting in a governmental capacity under this Contract, and that such approvals, acceptances, reviews, and/or inspections are a governmental function incidental to the Project under this Contract.

Any such approvals, acceptances, reviews, and/or inspections by MDOT will not relieve CAVNUE of its obligations hereunder, nor are such approvals, acceptances, reviews, and/or inspections by MDOT to be construed as warranties as to the propriety of CAVNUE's performance but are undertaken for the sole use and information of MDOT.

42. With regard to claims based on goods or services that were used to meet CAVNUE's obligation to MDOT under this Contract, CAVNUE hereby irrevocably assigns its right to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or MDOT due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - 445.788, excluding Section 4a, to the State of Michigan or MDOT.

CAVNUE shall require any subcontractors to irrevocably assign their rights to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or



MDOT with regard to claims based on goods or services that were used to meet CAVNUE's obligation to MDOT under this Contract due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - 445.788, excluding Section 4a, to the State of Michigan or MDOT as a third-party beneficiary.

CAVNUE shall notify MDOT if it becomes aware that an antitrust violation with regard to claims based on goods or services that were used to meet CAVNUE's obligation to MDOT under this Contract may have occurred or is threatened to occur. CAVNUE shall also notify MDOT if it becomes aware of any person's intent to commence, or of commencement of, an antitrust action with regard to claims based on goods or services that were used to meet CAVNUE's obligation to MDOT under this Contract.

43. CAVNUE and its Affiliates agree not to have any public or private interest, and shall not acquire directly or indirectly any such interest in connection with the project, that would conflict or appear to conflict in any manner with the performance of the Project work under this Contract. "Affiliate" means a corporate entity linked to CAVNUE through common ownership. CAVNUE and its Affiliates agree not to provide any services to a construction contractor or any entity that may have an adversarial interest in a project for which it has provided services to MDOT. CAVNUE and its Affiliates agree to disclose to MDOT all other interests that the prime or sub consultants have or contemplate having during each phase of the project. The phases of the project may include, but are not limited to, planning, scoping, early preliminary engineering, design, and construction. In all situations, MDOT will decide if a conflict of interest exists. If MDOT concludes that a conflict of interest exists, it will inform CAVNUE and its Affiliates. If CAVNUE and its Affiliates choose to retain the interest constituting the conflict, MDOT may terminate the Contract for cause in accordance with the provisions stated in this Contract.
44. Any public relations communications and/or products pertaining to this Contract or the Project hereunder that are intended for an external audience will not be made without prior written approval from MDOT, and then only in accordance with explicit instructions from MDOT. Examples of public relations communications and/or products may include the following:
  - a. Use of the MDOT logo;
  - b. Brochures, flyers, invitations, programs, or any other printed materials intended for an external audience;
  - c. Postings on social media sites or websites;
  - d. New or updated video, digital versatile disk (DVD), or video sharing productions;
  - e. Exhibits or presentations.

A violation of this provision constitutes a breach of this Contract, and MDOT may terminate this Contract under the provisions of Section 23.

45. This Contract will be in effect from August 11, 2020, through August 10, 2022.
46. Prior to expiration, the time for completion of performance under this Contract may be extended by MDOT upon written request and justification from CAVNUE. Upon approval and authorization by MDOT, a written time extension amendment will be prepared and issued by MDOT. Any such extension will not operate as a waiver by MDOT of any of its rights herein set forth.
47. In case of any discrepancies between the body of this Contract and any exhibits hereto, the body of this Contract will govern.



48. This Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of CAVNUE and MDOT and upon adoption of a resolution approving said Contract and authorizing the signature(s) thereto of the respective representative(s) of CAVNUE, a certified copy of which resolution will be sent to MDOT with this Contract, as applicable.

CAVNUE, LLC

DocuSigned by:  
*Jonathan Winer*  
By: \_\_\_\_\_  
AA9A7C16EE89458...  
Jonathan Winer  
Authorized Signatory

MICHIGAN DEPARTMENT OF TRANSPORTATION

Paul C. Ajegba, P.E. Paul C. Ajegba, P.E.  
Aug 10 2020 5:13 PM  
By: \_\_\_\_\_  
Paul C. Ajegba, P.E.  
Department Director



**EXHIBIT A**

**PHASE I COLLABORATION**

*This Exhibit A (as it may be amended or supplemented from time to time in accordance with its terms, this “**Exhibit**”) is an exhibit to the Michigan Department of Transportation Consulting Contract (as it may be amended or supplemented from time to time in accordance with its terms, the “**Contract**”), dated as of August 11, 2020 (the “**Effective Date**”), by and between the Michigan Department of Transportation (“**MDOT**”) and Cavnuue, LLC (“**Cavnuue**”). MDOT and Cavnuue are referred to collectively as the “**Parties**” and each as a “**Party**.”*

**INTRODUCTION**

**WHEREAS**, America is beginning a profound mobility transformation with coordinated and connected and autonomous vehicles (“**CAVs**”) at the forefront. CAVs have the potential to reduce thousands of traffic accidents caused by human error, cut the growing hours that commuters spend stuck in traffic, and vastly increase access to personal and shared mobility. To achieve such potential and accelerate the adoption of CAVs, roadway infrastructure will need to evolve.

**WHEREAS**, the U.S. automobile industry was born in Michigan, and the state is poised to continue to shape its future, with the leadership of MDOT as one of the most forward-thinking transportation departments in the world.

**WHEREAS**, as part of an open and competitive procurement process, MDOT issued Request for Proposals Requisition No. 3075 for a Connected and Automated Vehicle Corridor (“**CAV-C**”) Concept (the “**RFP**”) seeking a partner to work with it on a project for a connected corridor for CAVs that utilizes advanced infrastructure and technologies to accelerate the benefits of CAVs (as described further herein, the “**Project**”).

**WHEREAS**, Cavnuue was excited by the RFP and recognized the Project’s potential to transform the future of transportation and demonstrate the ability of forward-thinking mobility technologies to improve roadway infrastructure and achieve better outcomes. Cavnuue is a new company building the future of roads, which seeks to develop advanced roadways and related innovative technologies that enable and accelerate adoption of CAVs in order to enhance safety, minimize traffic and congestion, improve sustainability and resiliency of road assets, and improve accessibility and affordability of transit. Cavnuue was founded by Sidewalk Infrastructure Partners, LLC (“**SIP LLC**” and, together with its subsidiaries, “**SIP**”), a company pioneering the future of infrastructure to improve quality of life and create long-term value, including in the areas of transportation and mobility. Cavnuue believed that it was uniquely suited to act as a systems integrator with respect to the technology required for the Project and that SIP, its parent company, was uniquely suited to provide the capital required in order to finance the Project.

**WHEREAS**, in response to the RFP’s call for a partner that could work with MDOT across multiple phases of the Project to potentially envision, design, evaluate, iterate, test, develop, implement, construct, finance, operate, and maintain the Project, Cavnuue, together with SIP and its initial Project Partners - Ford Motor Company, the University of Michigan, the American Center for Mobility, WSP USA Inc. Miller Canfield PLC, Latham & Watkins LLP, and Middle Third LLC (together with SIP, the “**Initial Project Partners**”) - submitted a response to the RFP (the “**RFP Response**” and, together with the RFP, the “**RFP Documents**”).

**WHEREAS**, the RFP Response described the team’s differentiated capabilities and outlined a compelling vision for bringing the Project to fruition in a way that achieves key policy goals for Michigan. As envisioned, the Project would catalyze the use of CAVs and supporting infrastructure, as a practical

model for safe, efficient, and adaptable mobility options, by combining best-in-class (i) physical infrastructure, (ii) digital infrastructure, (iii) coordination infrastructure (cyber-physical), and (iv) operational infrastructure. Connecting vehicles to one another and roadway infrastructure, creating a digital twin of the road environment, and ultimately dedicating lanes to CAVs can enable high performance of even lower-level autonomous vehicles.

**WHEREAS**, a primary, or “anchor-use,” of such a corridor would be to provide a public transit alternative – an autonomous shuttle service that can offer greater safety, throughput, and system-level efficiency than otherwise possible when compared with conventional vehicle or transit services, such as bus rapid transit or light rail transit. In this way the Project may dramatically achieve key policy goals on accessibility, affordability, and sustainability. In order to build on existing Southeast Michigan regional transit planning proposals to dedicate lanes to bus rapid transit, one potential deployment path for the Project would be to initially utilize connected buses with current levels of autonomy as well as integrated, shared mobility. Over time, other autonomous vehicle types – public transit, shared mobility, freight, and private vehicles – can be introduced, with such lanes increasingly limited to vehicles that meet minimum, open standards as they become more widely adopted. Over time the objective is to create a dedicated CAV right-of-way. Such a design offers many of the benefits of dedicated mass transit while optimizing considerations of cost, service, and future innovation.

**WHEREAS**, the Project can achieve key goals, including improving safety, enhancing fairness and equity, achieving neutrality and interoperability among vehicle original equipment manufacturers, automotive manufacturers, and autonomous and other vehicle companies or operators or integrators (collectively “**OEMs**”), increasing accessibility, and aligning with regional planning, encouraging innovation and R&D in Michigan, spurring economic development, promoting open data access and shared learnings, ensuring cybersecurity, and enabling replicability. In particular, a corridor for the CAV-C from Detroit to Ann Arbor, with connectivity to airports and other key anchor destinations, represents a compelling initial potential route for the Project that the parties intend to focus on, given longstanding transit gaps and traffic congestion and the potential to create future replicable models.

**WHEREAS**, after reviewing submissions to the RFP in accordance with its procurement procedures, MDOT selected Cavnue as the winning respondent to the RFP and “master developer” for the Project.

**WHEREAS**, the Parties recognize that the Project is a multi-phase, first-of-its kind, and forward-thinking project that requires an innovative and collaborative private-public partnership and effective long-term working relationship among the Parties, the Project Partners, and other relevant Stakeholders with respect to the Project, and the Parties believe that the first phase of the Project must begin with careful planning and a thorough feasibility assessment, during which Cavnue, working closely with its Project Partners, will engage MDOT, other key Stakeholders, and the broader community in a collaborative process to iteratively identify and respond to important questions across all key workstreams of the Project and establish a timeline for key actions and milestones as the Project progresses.

**WHEREAS**, the Parties accordingly wish to agree to the terms in this Exhibit in order to guide their efforts in advancing the Project; clarify roles and responsibilities; create clear work plans, timelines, and deliverables; ensure efficient coordination and communication; establish a set of terms to govern the Parties’ rights and obligations; and promote a collaborative ongoing working relationship with efficient mechanisms for dispute resolution or offramps if the Project ceases to be mutually advantageous.

## **TERMS**

## 1. PROJECT PHASES

1.1 **Overview.** As further described in the RFP Documents and this Collaboration Agreement, the Project will proceed in at least two phases. The first phase of the Project (“**Phase I**”) is governed by this Exhibit, together with the Contract (together, as the Contract is modified or supplemented by this Exhibit, this “**Collaboration Agreement**”). Subsequent phase(s) of the Project (collectively “**Phase II**”) will be governed by one or more future definitive written agreements executed and delivered by the Parties or their affiliates, and/or Project Partners and other Stakeholders (the “**Implementation Agreements**”).

1.2 **Phase I.** As further described in the RFP Documents and this Collaboration Agreement, Phase I of the Project is expected to be an approximately 24-month period during which the Parties will collaborate with one another and the Project Partners and other relevant Stakeholders to evaluate the feasibility and viability of the Project. This work will include the concept development, preliminary design, planning, testing, and prototyping, and feasibility assessment of the Project. As further set forth in the Work Plan (as defined in Section 3.1 below), the goal of Phase I of the Project is to sufficiently advance multiple workstreams (including with respect to technology, business model, routes, policy, community engagement, approvals and consents) in order to enable the Parties to assess whether the Project is viable and beneficial to Southeast Michigan, including from a community, technological, economic, policy, and operational standpoint, and, accordingly, whether it makes sense to publish a feasibility study within the 24-month period and continue to progress the Project into Phase II. As further set forth in and subject to Section 7 of this Exhibit, any Party may terminate this Collaboration Agreement at any time during Phase I, or at the end of Phase I, and choose not to enter into any subsequent Implementation Agreement, if it believes that the Project is not feasible or beneficial.

1.3 **Phase II.** The scope of the RFP also contemplated and encompassed the potential for a Phase II for implementation of the Project subject to the success of the planning and feasibility Phase I. More specifically, as further described in the RFP Documents and this Collaboration Agreement, at the end of Phase I, the Parties, their affiliates, and/or the Financing Partners may bilaterally negotiate (without the need for any further request for proposals or similar process) and enter into one or more Implementation Agreements for Phase II to advance and implement the Project and agree on terms relating to the final design, development, construction, financing, operation, and maintenance of the Project. As part of the Implementation Agreement(s), in order to secure capital commitments from Cavvue and/or its Financing Partners needed to fund the Project, the necessary public and other stakeholders would grant sufficient rights and approvals so that Cavvue and its Financing Partners are able to develop and implement the Project in a manner consistent with the agreed business model and on the route chosen for the Project and otherwise effect the Project as agreed by the parties to the Implementation Agreement(s). The Implementation Agreements may further include, among other terms:

(a) Objectives, including an agreed timeline, with potential staging and phases as appropriate, key milestones, and agreed standards, including specified levels of service and technology performance, and remedies if such milestones or standards are not satisfied;

(b) Roles, responsibilities, rights, and obligations of the applicable parties with respect to the implementation and oversight of the Project;

(c) Specification of route and primary hubs;

(d) Clarity with respect to key approvals and clearances already obtained and understandings with respect to any remaining permits or consents required for the Project;



(e) Agreements with agencies, organizations, or others with jurisdiction over the route or Project or otherwise affected by it;

(f) Agreements with respect to relationships with partners, vendors, suppliers, customers, and sub-contractors; safety and certification standards;

(g) Clarity with respect to the budget, financing, and business model for the Project, including potential upfront commitments for fares or subscriptions for ridership and throughput, sufficient to secure a commitment of capital for financing of the Project, and support from public financing and grant programs, including the Transportation Finance and Innovation Act (TIFIA), Private Activity Bond (PAB), and other lending and grant programs and initiatives;

(h) Capital commitments for equity financing of the Project (which may be provided by Cavnu or its affiliates (including SIP or any special purpose vehicle thereof), certain Project Partners, and/or other co-investors designated by Cavnu or SIP (“**Financing Partners**”)), as well as other financial commitments or cost sharing;

(i) Agreements with respect to roadway design and technology, including potential commitments to facilitate and cooperate with respect to matters relating to permitting, construction, civil engineering, access, vehicle usage, and other matters;

(j) Agreements with respect to digital technology;

(k) Provisions with respect to intellectual property, data, assets, contracts, operations, and maintenance;

(l) Dispute resolution mechanisms and termination rights;

(m) Deployment, phasing, and construction milestones; and

(n) Other terms and components for the Project as informed by the feasibility assessment and related work completed as part of Phase I.

## 2. PROJECT OBJECTIVES & COORDINATION

2.1 **Project Objectives.** The Parties recognize the potentially transformative effect of CAVs on personal mobility, public transit, and the movement of freight and share a common goal of accelerating the advancement, testing, innovation, and commercialization of CAVs (including personal mobility, shared mobility, transit form factors, and commercial freight, among others) and believe that the Project can achieve key objectives and benefit the residents of Southeast Michigan. Without limiting the foregoing, the Project is intended to provide the following key benefits and adhere to the following core principles:

(a) *Safety* - Improve safety for riders, road users, and pedestrians, with demonstrated safety and efficacy through testing and certification. There have been almost 10,000 fatal automobile crashes in Michigan, generally attributable to driver error, over a decade.

(b) *Affordability, Accessibility, and Equity* - Undertake a community engagement and stakeholder-led design process that ensures affordability and accessibility by design and ensures that the benefits of the corridor are fairly, equitably, and broadly shared, improving quality of life for communities and residents on and affected by the Project, with access to transportation and transit and the benefits of the Project shared by traditionally underserved communities and residents.

(c) *OEM Neutrality* - Neutrality and interoperability among OEMs with the pursuit of best-in-class technologies and vehicle types and form factors and open, industry-wide standards, including following best practices by engaging multi-stakeholder standards organizations and federal agencies.

(d) *Mobility and Transit Access, Options, and Service* - Broaden access to shared and personal mobility as increased coordination can improve shared mobility service; connect key regional job centers; and provide accessible vehicles to support seniors and people with disabilities.

(e) *Reduction of Traffic and Congestion* - Materially reduce traffic congestion by increasing throughput and coordinating traffic at macro and micro scales. In doing so, reduce carbon footprint and enhance sustainability of transit options.

(f) *Upfront Private Sector Capital* - Provide significant upfront capital from Cavnuе and/or its Financing Partners for the Project, filling public funding gaps for transportation improvements.

(g) *Alignment with Regional Planning* - Undertake careful alignment with regional transit plans and, as necessary, air quality modeling required for regionally significant projects.

(h) *Efficient Systems Operation and Maintenance* - Improve operations and maintenance by enhancing connectivity and coordination among and between roads and vehicles, coordinating CAVs across multiple modes, and instituting predictive maintenance of Project systems. Make systems more efficient for faster, more effective repairs, upgrades, and maintenance of roadways, quicker responses to emergency situations, and stronger resiliency of road assets to extreme weather and other events.

(i) *Innovation and R&D* - Affirm Michigan as a leading innovation hub of the future of mobility by locating Project resources in Michigan, partnering with the state’s public and private sectors, and accelerating real-world use cases for CAVs in Michigan. Utilize and optimize Michigan’s existing investments in technology and infrastructure.

(j) *Economic Development* - Unlock job creation and growth through capital investment, improved transportation, and technology development.

(k) *Privacy-Preserving Open Data Access* - Implement secure, accessible platforms and APIs that encourage third-party innovation, consistent with robust privacy and cybersecurity protections.

(l) *Replicability* - Establish replicable systems to introduce CAV corridors broadly in Michigan, and throughout the U.S. and world.

(m) *Future-Proofed Mobility Assets* - Make long-term investments and future-proof Michigan’s roadways to anticipate future innovation and make them more adaptable to, and thus minimize the costs, delays, and adverse impacts of, future changes in transportation.

**2.2 Collaboration.** To support the achievement of the Project objectives, the Parties accordingly agree to collaborate with one another in good faith and to coordinate with Initial Project Partners, subject to the addition of other third-party partners or the removal of certain of the Initial Project Partners as partners on the Project, or changes to the scope of their roles, as the Project evolves over time (the applicable partners for the Project, including SIP, “**Project Partners**”), and with other key stakeholders with respect to the Project, which may include relevant federal, state, county, and local government agencies (including the Michigan Economic Development Corporation, Michigan’s Office of

Future Mobility and Electrification, and the Michigan Department of Labor and Economic Opportunity, among others), motor vehicle regulators and administrators, law enforcement agencies, automotive and vehicle OEMs or operators, standards organizations, policy groups, communications and technology firms, road owners and operators, business and community representatives and those using or otherwise affected by the potential corridor (including transit riders, cyclists, pedestrians, etc.), testing facilities, academic institutions, regional planning agencies, and others (collectively “**Stakeholders**”).

### 3. PHASE I WORK

3.1 **Work Plan.** In connection with Phase I, the Parties agree to work together in good faith to pursue the activities, understandings, commitments, roles, and responsibilities set forth in this Collaboration Agreement and in the RFP Response (in each case as may be mutually amended or supplemented from time to time, the “**Work Plan**”). Each Party will undertake the obligations and responsibilities assigned to it as described in the Work Plan and work in good faith to achieve the milestones and to prepare and finalize the deliverables described in the Work Plan.

3.2 **Establishment of Working Groups.** As part of Phase I in order to advance the Work Plan, within one month of the Effective Date, issue-specific working groups (each a “**Working Group**”) will be established. The Working Groups are anticipated to be organized around the following five topics and goals:

- (a) *Technology and Infrastructure* - Advance digital, physical, coordination, and operational technology and infrastructure for the Project.
- (b) *Policy and Regulation* - Advance key policy goals and principles related to the Project.
- (c) *Routes, Community Engagement, and Economic Development* - Identify routes for the Project, engage communities and residents on and affected by the Project, and facilitate economic development opportunities.
- (d) *Financing and Operations* - Establish a viable financing and operating model for the Project.
- (e) *Planning and Design* - Determine the staging of planning, construction, and development, and advance design, development, permitting, and approvals for the Project.

3.3 **Working Group Processes.** Cavnué will, working closely with MDOT, lead each such Working Group and determine a frequency of Working Group meetings to achieve the goals of the Work Plan. MDOT and Cavnué will work together to identify and agree on an initial list of Stakeholders to be invited to join as participants in the applicable Working Groups, as well as an initial list of Stakeholders that, though not regular participants in the applicable Working Groups, will be consulted and briefed by the Working Groups as appropriate. Each Working Group, within the first month of its establishment, will develop a more detailed 24-month schedule, with periodic deliverables, drawing on and refining as appropriate the illustrative schedule and set of deliverables included in the “**Work Scope and Schedule**” section of the RFP Response and consistent with this Collaboration Agreement. Each Working Group will periodically report to the Management Committee on its progress. The Parties will work together to ensure all applicable laws, policies, processes, and procedures are properly followed, including compliance with this Coordination Agreement, and that the Working Groups have the proper depth of knowledge, resources, and experience to adequately address the issues assigned to them in the Work Plan in the timeframes required by the Work Plan. Prior to participating in a Working Group, participants will be asked to execute a memorandum of understanding containing provisions regarding confidentiality,

intellectual property, and other matters. The members of the Working Group will be empowered to represent their respective agencies and stakeholders and will be entitled to make determinations and decisions with respect to matters relating to the Project (subject to any identified constraints on their authority or third-party dependencies) in order to progress the work in the Work Plan and advance the Project.

### 3.4 Roles.

(a) *Key MDOT Roles* - To advance the Project during Phase I, MDOT will exercise the full extent of its legal authorities to leverage its personnel and resources to support all aspects of the Project according to the Work Plan, in order to complete Phase I work and in order to reach an Implementation Agreement on a viable plan to implement, finance, operate, and maintain the Project. Among other activities, MDOT will: (i) support the Project and provide access to its full range of experts, research, information, and analysis to advance the Project, including to provide full access to information regarding the state of physical, digital, and other assets (including traffic lights, traffic management and intelligent transportation systems (“ITS”)) along the corridor and to generally support each workstream; (ii) lead communication and coordination with public entities and communities at the state, county, and local levels, community engagement, and interfacing with the federal government with respect to federal programs and approvals; (iii) facilitate Cavnué’s and its affiliates’ (and to the extent applicable and coordinated with MDOT through Cavnué and its affiliates, their Project Partners, Financing Partners, or any entity owned thereby) ability to secure approvals from government agencies and obtain access and determinations from them in a timely manner as needed to advance the Project, including accelerating necessary permits and approvals within MDOT’s authority, and assisting with and co-applying for permits and approvals from other entities; (iv) support and facilitate the testing and activities related to the demonstrations, tests, prototypes, and pilots contemplated by this Collaboration Agreement and the RFP Documents, including by working to secure or provide interfaces with or access to existing or potential infrastructure, ITS, and traffic management / operations systems along the corridor or roads with similar operating environments and conditions, as well as permitting; (v) work with Cavnué and its affiliates (and to the extent applicable and coordinated with MDOT through Cavnué and its affiliates, their Financing Partners or any entity owned thereby) so as to support and help with federal and/or state funding or loan program or grant applications; and (vi) assist, to the extent practical, Cavnué and its affiliates (and to the extent applicable and coordinated with MDOT through Cavnué and its affiliates, their Financing Partners or any entity owned thereby) to pursue procurement processes to advance Project objectives, including – where possible - existing contracts and feature the Project in MDOT’s five-year, long-term, and other documents related to transportation planning. Mutual agreement of the Parties will be required prior to MDOT seeking, allocating, utilizing in connection with the Project, or designating or earmarking the Project for the receipt of any federal funds, loans, or grants.

(b) *Key Cavnué Roles* - To advance the Project during Phase I, Cavnué will carry out activities to develop, design, test, and evaluate the Project and advance the Project according to the Work Plan, in order to complete Phase I work and reach an Implementation Agreement on a viable plan to implement, finance, operate, and maintain the Project. As the master developer for the Project, Cavnué will serve as a holistic systems integrator of physical, digital, coordination, and operational infrastructure, and will convene and secure the advisors, investors, and resources in order to apply digital innovation to the Project. Among other activities, Cavnué will: (i) support the Project and leverage its personnel and resources including infrastructure and technology developers, planners, policy experts and technologists to advance the Project, including leveraging the capabilities of its Project Partners in the OEM, academic, planning, development, and engineering, legal, and other key areas necessary; (ii) convene and/or engage with Stakeholders, including leading the engagement with private sector Stakeholders and using good faith efforts to mobilize their support of the Project, including to interface with OEMs, other technology vendors or partners, and infrastructure builders or operators; (iii) endeavor to demonstrate, test, prototype,

and pilot its solutions to ensure and verify their safety and iteratively improve their performance; (iv) pursue the research, development, partnership and/or acquisition of advanced technology that advances Project objectives; (v) plan, design, and implement physical, digital, and coordination infrastructure that fulfills the shared objectives of the Project; and (vi) secure financing (including any federal lending and grant programs) for the Project.

### 3.5 **Demonstrating, Testing, Prototyping, and Piloting.**

(a) *General* - In order to illustrate the applications and benefits of the Project, build initial momentum among Stakeholders and the broader community affected by the Project, and demonstrate and iteratively improve the technology, infrastructure, and operations of the Project prior to any full deployment or implementation, Cavnuce expects to deploy its and its affiliates' and Project Partners' solutions on a limited basis at testing facilities and in safe and constrained public demonstrations, which may utilize existing vehicles, technology, and infrastructure (i.e., traditional vehicles and/or AVs with appropriate safety standards) in combination with elements of more innovative and advanced technologies and infrastructure.

(b) *Anticipated Pilot Activities* - As part of the Work Plan, Cavnuce will be permitted to conduct an iterative series of demonstrations, tests, prototypes, and pilots to illustrate, develop, prove, and deploy the infrastructure and technology for the Project, both in testing facilities, and on portions of potential routes or roads with similar operating environments and conditions. In order to conduct these activities, consistent with all relevant state, local, and federal laws, regulations, permits, and policies, and in coordination with all relevant state, local, and federal governing authorities of particular route segments, including for the avoidance of doubt the Federal Highway Administration ("FHWA") and Federal Transit Administration ("FTA") where applicable, Cavnuce will from time to time require: (i) the ability to run an appropriate set of autonomous vehicles or other vehicles along the corridor or roads with similar operating environments and conditions; (ii) the ability, appropriately limited, to deploy or modify roadway or connected infrastructure or surrounding public spaces (e.g., painting segments or curbs, adding sensors or computer vision technology, deploying smart barriers to delineate a lane within a portion of the expected route or roads with similar operating environments, modifying signage, lane markings, lightings, signals, or other roadway elements); (iii) the ability to interface with connected and other infrastructure along the corridor or roads with similar operating environments and conditions and collect and use data with respect thereto (in accordance with and subject to Section 4.3 of this Exhibit); and (iv) as necessary, the ability to organize demonstrations, tests, prototypes, and pilots. Such demonstrations, tests, prototypes, and pilots may leverage or collaborate with existing and planned grant projects and activities related to the objectives of the Project. Any and all lane closures requiring FHWA approval (including those relating to pilot activities, testing of any kind, and public and/or private demonstrations) will be undertaken only if and after FHWA approval is granted.

(c) *Public Demonstrations* - Public demonstrations may include the deployment of (i) shared mobility vehicles (e.g., connected and/or autonomous buses or vans), (ii) personal mobility connected and/or autonomous vehicles operated by Cavnuce or its affiliates or Project Partners; and/or (iii) vehicle-to-infrastructure or vehicle-to-everything communications between connected and/or autonomous vehicles and intelligent transportation infrastructure existing along the corridor, or with limited new infrastructure deployments.

(d) *Facilitating Demonstrations, Tests, Prototypes, and Pilots* - In order to support demonstrations, tests, prototypes, and pilots, MDOT will authorize such activities in accordance with the Work Plan and in accordance with MDOT's legal authorities, understanding that certain rights associated with such demonstrations, tests, prototypes, and pilots may require approvals, authorizations, and satisfaction of certain requirements (including safety, compliance with traffic laws, and insurance), by and in coordination with other government agencies, including without limitation the FHWA and FTA as

required. MDOT will cooperate with Cavnu and its affiliates, the Project Partners, and other Stakeholders as relevant to obtain or facilitate necessary approvals, authorizations, and meeting of requirements needed for the such demonstrations, tests, prototypes, and pilots in a timely fashion. MDOT will seek to leverage existing and planned demonstrations, tests, prototypes, and pilots to accomplish the Project's objectives.

#### 4. INTELLECTUAL PROPERTY

##### 4.1 Ownership of Technology and Intellectual Property Rights.

(a) *General* - While each Party will at all times own its pre-existing and non-Project-related Intellectual Property Rights and Confidential Information, the Parties recognize the need for provisions that clearly define and protect the intended ownership of intellectual property developed in connection with the Project, in order to protect and incent the creation of innovative intellectual property for the Project and encourage open collaboration among the Parties, the Project Partners, and other Stakeholders.

(b) *Existing and Non-Project IP and Confidential Information* - Each Party will at all times own and continue to own its pre-existing Intellectual Property Rights and Confidential Information, as well as any Intellectual Property Rights and Confidential Information that it creates as a part of its business not specific to the Project ("**Independent IP**"). "**Intellectual Property Rights**" means rights in and to all: (i) patents and patent applications claiming any inventions or discoveries made, developed, conceived, or first reduced to practice, including all divisions, substitutions, continuations, continuations-in-part, and any reissues, re-examinations, and extensions thereof; (ii) copyrights and other interests in works of authorship; (iii) unpatented information, trade secrets, data, or materials; (iv) mask work rights; and (v) any other intellectual or other proprietary rights of any kind now known or hereafter recognized in any jurisdiction; but excluding trademarks, service marks, trade names, trade dress, domain names, logos and similar rights, and the goodwill associated therewith.

(c) *Project Materials* - Any Working Group sessions conducted as part of the Work Plan that are anticipated to cover specific technology implementations, where public disclosure could adversely impact the trade secret status of proprietary innovations developed by Cavnu or other Project Partners will be closed sessions not open to the public. Written and other work product, such as reports generated from any public working group sessions conducted as part of the Work Plan, high-level design documents, certain commissioned studies, urban planning-related materials, and high level specifications, in each case, that are developed specifically for the Project, and designated by Cavnu or the applicable Project Partner as public, including any minutes of closed sessions that are mutually agreed to be designated as public by Cavnu or the applicable Project Partners (collectively "**Public Project Materials**") will not be subject to any confidentiality protections under this Collaboration Agreement. Other planning-related material, designs, and descriptions of proprietary technology that are not specifically designated in writing as Public Project Materials will be considered the Confidential Information of the providing party(ies) and will be subject to the confidentiality provisions of this Collaboration Agreement (the "**Confidential Project Materials**," and collectively with the Public Project Materials, the "**Project Materials**").

(d) *Cavnu Technology* - Except for the Public Project Materials and any Confidential Project Materials provided and owned by MDOT or another Project Partner, and except as expressly agreed otherwise in writing by Cavnu, as among the Parties, Project Partners, and other Stakeholders, Cavnu will solely own all Intellectual Property Rights in and to any and all Technology developed by or for Cavnu pursuant to or related to the Project, including Technology that was conceived with the input of other Parties, Project Partners, or Stakeholders (collectively, "**Cavnu Technology**"). "**Technology**" means civil engineering designs, highway infrastructure technology, such



as smart barriers, CAV-specific building materials, devices, hardware and the like, firmware or software code of any nature, in any form, including source code, executable code, hardware configuration data, systems, sensors, applications, know-how, methods, protocols, schematics, technical data, algorithms, APIs, subroutines, techniques, user interfaces, databases, and data collections (including analytics and benchmarking), manufacturing process technology, computer program, RTL code, Gerber files, and GDSII files, including all related documentation, developers' notes, comments, and annotations related thereto, whether in machine-readable form, programming language, or any other language or symbols and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper, or other media of any nature.

**4.2 License to Technology for Pilot.** During Phase I for the purpose of any activities related to the demonstrations, tests, prototypes, and pilots described in the Work Plan, each of Cavvue and MDOT will grant to the other Party (and any applicable Project Partners) any intellectual property licenses reasonably necessary to conduct the applicable activities in accordance with the Work Plan. For any subsequent Phase II, the Implementation Agreements will set out what licenses are granted (including what licenses MDOT will have in Cavvue Technology) and will include further agreements and other terms and conditions around commercialization of specific Intellectual Property Rights. Except as expressly provided in this Section 4.2 of this Exhibit, no other license or right is granted to any Intellectual Property Rights, data, or Technology of any Party to any other person under this Collaboration Agreement, whether expressly or by implication, estoppel, statute or otherwise.

**4.3 Data Use.** A core principle of the Project is privacy-preserving open data access. The public sector will take the lead on data governance and ownership. Regardless of the data source, all data generated and collected regarding the usage of public roadways by CAVs pursuant to the Project, including with respect to the activities related to the demonstrations, tests and pilots described in the Work Plan, will be considered governed by MDOT in the public interest. In order to achieve goals around safety, coordination, and reducing congestion, as well as other Project objectives, the Project is expected to leverage data and information such as the speed and location of vehicles, routes, conditions, and obstacles in the roadway, connectivity, and pricing. MDOT, Cavvue, and other Project Partners and Stakeholders expect to use this information to further the goals of the Project, including for purposes of designing, developing, implementing, testing, improving, and operating the systems envisioned for the Project, such as a virtual representation of the roadway that can register any objects in the roadway to avoid collision, recognize and promptly report emergency situations, track wear and tear and arrange for timely maintenance, coordinate the changing of roadway signals based on traffic patterns, and identify the location of other vehicles, pedestrians, and cyclists in order to ensure safety. In addition to ensuring that all data uses will be subject to applicable regulations, policies, and laws regarding the use of personally identifiable information, the Parties will seek to implement world-class privacy and data protections, led by the public sector with feedback from affected residents and stakeholders. Cavvue will commit not to sell any personally identifiable information to third parties or commercialize the data beyond what is needed to pursue the goals of the Project related to improving transportation and safety. Without limiting the foregoing, for the avoidance of doubt, Cavvue will not sell any data or subsets of any personally identifiable information to advertisers for purposes of advertising to users of the roadways. Consistent with these policies, commitments, and public leadership, Cavvue expects to make data openly and broadly available for analysis, improvement, and the research and development of innovative applications, and Cavvue may create analyses, derivative data sets or other works or technology based on the data (collectively, "**Derived Data**"), and all rights, title, and interest in and to any Derived Data will be owned by the entity that created such Derived Data.

**4.4 Relationship to Contract.** The terms of this Section 4 of this Exhibit will replace and supersede, and apply in lieu of, Sections 24, 33, and 36 of the Contract.

## 5. CONFIDENTIALITY AND PUBLICITY

### 5.1 Confidentiality.

(a) *General* - The Parties wish to agree on confidentiality and related provisions that ensure full compliance with FOIA Rules and balance their shared commitment to transparency in the public interest with the need to provide adequate assurances for the protection of confidential information that could dis-incentivize the robust collaboration and sharing of information and among the Parties, the Project Partners, and other stakeholders that is necessary to advance public purposes and the Purpose, or result in competitive harm or breach of obligations to third parties.

(b) *Cavnue Confidential Information* - MDOT agrees that all information of Cavnue or SIP that is supplied in confidence to MDOT or other Project Partners or Stakeholders in connection with the Project or otherwise pursuant to this Collaboration Agreement (including the confidential information of partners of Cavnue or of other third parties that is in Cavnue's or SIP's possession), whether in electronic, written, graphic, oral, machine readable, or other tangible or intangible form, that is either marked as "confidential" or should reasonably be considered as confidential based on the nature of the information or circumstances of the disclosure (collectively, and together with any notes or other summary materials prepared by or on behalf of MDOT to the extent containing, reflecting, or in any way based on such information, but subject to the exceptions set forth in Section 5.2 of this Exhibit, "**Cavnue Confidential Information**") will be treated as confidential by MDOT and its employees and agents (collectively, "**MDOT**"). MDOT will not use such information except for the sole purpose of advancing the Project with Cavnue and SIP (the "**Purpose**"). MDOT further agrees that it will use all best efforts to treat Cavnue Confidential Information as exempt from disclosure pursuant to the Michigan Freedom of Information Act and similar federal, state, or local public disclosure statutes or regulations, as applicable (collectively "**FOIA Rules**"). Except as permitted by Section 5.3, MDOT will not disclose Cavnue Confidential Information to any person other than to its own officers, directors, employees, consultants, and advisors and representatives of other Michigan government agencies or its legislature ("**MDOT Representatives**") who need to know such information for the Purpose and on the understanding that they are required to maintain the confidentiality of such information and limit the use thereof on terms substantially similar to those contained herein. MDOT will be responsible for any breach of the non-disclosure and non-use limitations by its MDOT (it being understood that compelled disclosure under FOIA Rules as contemplated by Section 5.3 of this Exhibit, whether by MDOT or MDOT Representatives, is not considered a breach). MDOT additionally agrees, subject to Section 5.3 of this Exhibit, not to disclose records containing information that is mutually generated by MDOT and Cavnue or SIP ("**Mutual Materials**") without Cavnue's or SIP's prior written consent and to agree to reasonable restrictions on use and sharing and the application of safeguards to protect such Mutual Materials.

(c) *MDOT Confidential Information* - Cavnue agrees that, except as required by applicable law or judicial process, all information of MDOT that is marked confidential or stated in writing to be confidential ("**MDOT Confidential Information**" and, together with Cavnue Confidential Information, "**Confidential Information**") will be maintained as confidential and may not be disclosed without the consent of MDOT to any person other than to its officers, directors, employees, consultants, consultants, and current and prospective investors or financing sources ("**Cavnue Representatives**" and, together with MDOT Representatives, as applicable, "**Representatives**") who need to know such information for the Purpose and are required to maintain the confidentiality of such information.

5.2 **Exceptions.** Confidential Information will not include any information that: (a) is designated as a Public Project Material; (b) is or subsequently becomes generally available to the public through no action or fault of a receiving Party or its Representatives; (c) a receiving Party has or knew at the time of disclosure or subsequently acquires by lawful means, in each case from a third party who did not provide such information to such Party (i) in breach of confidentiality obligations to the disclosing

Party, (ii) on a confidential basis, or (iii) is independently developed by the receiving Party without reference to any Confidential Information or to any Confidential Project Materials (or in the case of MDOT, to any Cavvue Technology).

**5.3 Compelled Disclosures.** If MDOT receives a request pursuant to applicable FOIA Rules for access to information that includes Cavvue Confidential Information, Confidential Project Materials, Mutual Materials, or Cavvue Technology, MDOT will promptly, and prior to such disclosure, notify Cavvue and SIP in writing of such requirement. Following such notice to Cavvue and SIP, MDOT may thereafter disclose only that portion of the Cavvue Confidential Information, Confidential Project Materials, Mutual Materials, or Cavvue Technology that MDOT is legally required to disclose and, upon Cavvue's or SIP's request, will use all best efforts to limit the scope of information disclosed. For the avoidance of doubt, nothing in this Section 5 should be construed as preventing MDOT from complying with and fulfilling its statutory obligations under any applicable FOIA Rules.

**5.4 Public Announcement.** Promptly following the Effective Date at a mutually agreed place and time, but no later than August 15, 2020, the Parties, in collaboration with the Project Partners, will publicly announce the Project pursuant to an agreed communications plan and issue a mutually agreed joint press release announcing the Project. Each Party will be prohibited from making any public announcement or statement regarding the Project without each other Party's prior written consent; provided, however, that each Party may make public announcements or statements (including through press interviews, social media posts, or otherwise) that are factually correct and consistent with messaging previously agreed by the Parties (including with the initial press release and any subsequent mutually agreed press releases or other public statements or messaging).

**5.5 Disclaimer.** MDOT acknowledges that Cavvue Technology is not yet generally released and therefore Cavvue Technology, documentation, data, and other technical materials are provided "as is" with no representations and warranties whatsoever, express or implied, including any implied warranties or conditions of merchantability, quiet enjoyment, satisfactory quality, fitness for a particular purpose, and title, and any warranty or condition of non-infringement. Without limiting the generality of the foregoing, neither Cavvue nor any of its licensors warrants that Cavvue Technology will perform without error, that it will run without interruption, or that any data will be complete, secure, or not otherwise lost or damaged.

**5.6 Relationship to Contract.** The terms of this Section 5 of this Exhibit will replace and supersede, and apply in lieu of, Sections 12, 24, 35, and 44 of the Contract.

## **6. DECISION MAKING & DISPUTE RESOLUTION**

**6.1 Management Committee.** In order to promote efficient, effective, and timely collaboration, information sharing, and decision making to advance the Project during Phase I, the Parties will appoint a joint management committee (the "**Management Committee**") to oversee the Project on behalf of the Parties in the manner and to the extent set forth in this Collaboration Agreement (including, for the avoidance of doubt, the Work Plan). The Management Committee will be responsible for and is hereby authorized to: (a) coordinate the advancement of the Work Plan, including to establish and convene the Working Groups described in the Work Plan and to monitor and manage such Working Groups' progress under the Work Plan, including regular meetings (anticipated to be at least quarterly); (b) facilitate the collaboration required to deliver the Work Plan, including to communicate and coordinate with Project Partners and Stakeholders; (c) monitor and report on the performance of the Work Plan and progress against the milestones set forth in the Work Plan; (d) identify and address key issues, concerns, and gating items required to continue to advance the Project; and (e) assess at the end of each sub-phase the feasibility and viability of the Project to determine whether, and on what terms, the Parties would be willing to advance the Project into Phase II and execute and deliver Implementation

Agreement(s) with respect to the implementation, financing, and ongoing operations and maintenance of the Project. The Management Committee will meet on a regular basis (no less frequently than monthly) by teleconference or in person. Any disputes that cannot be resolved by the Management Committee within ten days of being raised will be escalated to the Steering Committee for resolution in accordance with this Section 6 of this Exhibit.

6.2 **Steering Committee.** The Management Committee will report periodically (no less frequently than quarterly) to a steering committee (the “**Steering Committee**” and, together with the Management Committee, the “**Committees**” and each a “**Committee**”), which will be responsible for approving major decisions relating to the Project on behalf of the Parties and resolving any disagreements or disputes (including the disagreements or disputes among the members of the Management Committee and the Working Groups formed pursuant to the Work Plan).

6.3 **Committee Membership.** Each of the Management Committee and Steering Committee will consist of an equal number of members appointed by MDOT, on the one hand, and Cavvue or its affiliates, on the other hand. The Steering Committee will consist of at least one designee from Cavvue that is a senior executive of the management team of Cavvue and at least one designee from MDOT who is, or is of similar seniority and authority as, the Chief Operating Officer of MDOT. All members of the Management and Steering Committees shall be sufficiently empowered on behalf of their respective organizations to allow them to progress the work of the applicable Committee in a reasonable timeframe. If any MDOT or Cavvue appointee becomes unable to meet with the frequency required or otherwise unavailable to serve on a Committee, MDOT or Cavvue, as applicable, will promptly (and in any event within three business days) appoint a replacement designee of similar seniority and authority as the prior appointee. The Committees may consult with or invite, as observers, other members appointed by MDOT or Cavvue, or representatives of the Project Partners.

6.4 **Dispute Resolution.** If a dispute arises between the Parties pursuant to this Collaboration Agreement or otherwise in connection with the Project, and the Parties do not resolve some or all of the dispute through informal discussions among the relevant representatives involved, then any Party may give the other Parties written notice requesting initiation of the dispute resolution procedures set forth in this Section 6.4 of this Exhibit. Promptly, and no more than five business days following receipt of such notice, if not resolved by the Management Committee in the intervening period, the Steering Committee will meet to discuss and attempt to resolve the dispute. If the dispute is not adequately addressed within thirty days of such notice by the Steering Committee, the Parties will, within twenty business days, agree on a third-party mediator and discuss and attempt to resolve such dispute through mediation. If the dispute is not adequately addressed after one mediation session, a Party may initiate a proceeding in accordance with Section 8.2 of this Exhibit.

## 7. TERM & TERMINATION; EXCLUSIVITY

7.1 **Term.** This Collaboration Agreement will be effective as of the Effective Date and will continue in full force until the earliest to occur of:

(a) the completion of Phase I as described in the Work Plan (the “**Phase I Completion**”);

(b) 5:00 p.m. ET on the date that is 30 months after the date of execution of this Collaboration Agreement (the “**Outside Date**”), or such later date as the Parties may agree in writing, if the Phase I Completion has not occurred at or prior to such time and any Party provides written notice of its election to terminate this Collaboration Agreement; and

(c) a termination of this Collaboration Agreement in accordance with Section 7.2 of this Exhibit.

## 7.2 Termination Rights.

(a) Any Party may terminate this Collaboration Agreement in the event that another Party has materially breached or defaulted in the performance of its material obligations hereunder, and such material breach or default continued uncured for 60 days after written notice thereof was provided to the breaching Party by the non-breaching Party.

(b) Any Party may terminate this Collaboration Agreement for convenience, for any reason or no reason, by providing 30 days' prior written notice to the other Parties.

## 7.3 Effect of Termination.

(a) Termination of this Collaboration Agreement for any reason will not release any Party from any liability or obligation that, at the time of such termination, has already accrued to another Party or that is attributable to a period prior to such termination, and such termination will not preclude a Party from pursuing any rights and remedies it may have hereunder or at law or in equity with respect to any breach of this Collaboration Agreement.

(b) Upon the termination of this Collaboration Agreement, except as expressly set forth otherwise in this Section 7.3 of this Exhibit, this Collaboration Agreement and its terms will terminate and be void and of no further force or effect, including that the license provided in Section 4.2 will terminate and MDOT will have no further right to use Cavvue Technology. Notwithstanding the foregoing, Sections 4.1, 5, 7.3, 7.5, and 8 of this Exhibit will survive any termination of this Collaboration Agreement, including that Cavvue will continue to be entitled to use data to which MDOT gave it access prior to the termination of this Collaboration Agreement, provided such use is subject to and in accordance with Section 4.3.

7.4 **Exclusivity.** In consideration of the substantial expenditure of time, effort, and expense to be taken by Cavvue and SIP and their representatives in connection with Phase I, all undertaken at risk of termination of this Collaboration Agreement, MDOT agrees that:

(a) For the period commencing on the Effective Date and ending on the earlier of (i) the expiration or termination of this Collaboration Agreement or (ii) the Phase I Completion (such earlier date, the "**End Date**"): (1) Cavvue and/or SIP will lead the Project (together with MDOT) and be the sole infrastructure and technology provider and integrator of the Project as it relates to the various potential roads, routes, and corridors under evaluation and consideration as part of Phase I of the Project (the "**Southeast Michigan CAV-C Corridor**"); and (2) MDOT will not, directly or indirectly, undertake, initiate, authorize, encourage or enter into any agreement in respect of any action that would compete with, foreclose, materially interfere with, or make materially more expensive, time-intensive, delayed, or burdensome, the Southeast Michigan CAV-C Corridor.

(b) For the period commencing on the Effective Date and ending on the End Date, MDOT will not, directly or indirectly, except with Cavvue and/or SIP: (1) pursue independently or in connection with other government agencies or initiate, authorize, make, accept, negotiate, discuss, entertain, or otherwise pursue any offers or proposals from alternate vendors or other persons any transaction or project that (A) constitutes the Southeast Michigan CAV-C Corridor or (B) is or may be an alternative to the Southeast Michigan CAV-C Corridor (collectively, (A) and (B), an "**Alternative CAV-C Corridor**"); (2) offer, solicit requests, encourage, or respond to any proposal by any third party with

respect to any such Alternative CAV-C Corridor; or (3) enter into any agreement or understanding in respect of any such Alternative CAV-C Corridor.

(c) Additionally, so long as MDOT determines to move forward with the Project beyond Phase I (with the roads/routes/corridor and scope of such Project as mutually agreed in the Implementation Agreement(s)), and there has been no termination of this Collaboration Agreement pursuant to Section 7.2, MDOT agrees that it will engage Cavnue, its affiliates, and/or its Financing Partners to lead the further phases of the Project (together with MDOT) and be the sole infrastructure and technology provider and integrator for Phase II, and have the sole right to implement and provide equity financing for the Project, pursuant to one or more Implementation Agreements.

7.5 **Relationship to Contract.** The terms of this Section 7 will replace and supersede, and apply in lieu of, Sections 23(a) and 45 of the Contract.

## 8. GENERAL PROVISIONS

8.1 **Independent Contractors.** The relationship of the Parties is that of independent contractors. The Parties are not deemed to be agents, partners, or joint ventures for any purpose as a result of this Collaboration Agreement.

8.2 **Governing Law and Jurisdiction.** This Collaboration Agreement and any dispute arising from the construction, performance, or breach of this Collaboration Agreement will be governed by and construed and enforced in accordance with the laws of the State of Michigan, without reference to its conflict of law principles. Subject to the dispute resolution procedures set forth in Section 6, the Parties agree that the exclusive jurisdiction and venue for any action brought between the Parties under this Collaboration Agreement will be Lansing, Michigan, and each of the Parties hereby agrees and submits itself to the exclusive jurisdiction and venue of such courts for such purpose, to the exclusion of all other venues, forums, or jurisdictions.

8.3 **Assignment.** No Party may assign this Collaboration Agreement, in whole or in part, or any rights or obligations under this Collaboration Agreement, without the prior written consent of the other Parties, which consent will not be unreasonably conditioned, delayed, or withheld; provided, however, that Cavnue may assign this Collaboration Agreement and its rights and obligations under this Collaboration Agreement without such consent to a parent, subsidiary, or affiliate, or to a successor in interest upon any merger, acquisition, change of control, or sale of all or substantially all of the assets of Cavnue. In addition, no Party will be deemed to have assigned this Collaboration Agreement or any rights or obligations under this Collaboration Agreement to any subcontractor, consultant, advisor, partner, supplier, or vendor that assists it in connection with the work contemplated by the Work Plan, so long as such Party remains responsible for such work and liable therefor pursuant to this Collaboration Agreement. Subject to the foregoing, this Collaboration Agreement will be binding on and inure to the benefit of the Parties and their respective successors and permitted assigns. The terms of this Section 8.3 of this Exhibit will replace and supersede, and apply in lieu of, Section 25 of the Contract.

8.4 **Amendment.** This Collaboration Agreement may be amended only by written agreement signed by all Parties.

8.5 **Waiver.** It is agreed that no waiver by a Party of any breach or default of any of the covenants or agreements in this Collaboration Agreement will be deemed a waiver as to any subsequent or similar breach or default.

8.6 **Severability.** In the event that any provision of this Collaboration Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Collaboration



Agreement will continue in full force and effect to the fullest extent permitted by law without said provision, and the Parties will amend this Collaboration Agreement to the extent feasible to lawfully include the substance of the excluded term to as fully as possible realize the intent of the Parties and their commercial bargain.

8.7 **Notices.** All notices, requests, and other communications under this Collaboration Agreement will be in writing and will be hand delivered, or sent by express delivery service with confirmation of receipt, or sent by registered or certified mail, return receipt requested, postage prepaid, or by facsimile transmission (with written confirmation copy by registered first-class mail) or by electronic mail, in each case to the respective address or facsimile number or email address indicated below. Any such notice will be deemed to have been given when received. A Party may change its address or facsimile number or email address by giving the other Parties written notice, delivered in accordance with this Section 8.7.

If to MDOT: Michigan Department of Transportation  
Van Wagoner Building  
425 West Ottawa Street  
Lansing, MI 48933

If to Cavvue: Cavvue, LLC  
c/o Sidewalk Infrastructure Partners  
217 36<sup>th</sup> Street (Camp David offices)  
Brooklyn, NY 11232  
legal@sidewalkinfra.com

8.8 **Order of Precedence.** Notwithstanding Section 47 of the Contract, in the event of any inconsistencies between the terms of the Contract and this Exhibit A, the terms of this Exhibit A will govern. Additionally, and without limiting the foregoing, the Parties agree that the provisions of Sections 5-7, 12, 18, 19, 22-24, 33, 35, 36, 37, 44, 45, and 47 of the Contract will not apply to the activities set forth in this Exhibit A. In addition, notwithstanding anything in the Contract to the contrary (including Section 43 of the Contract), no provision of the Contract will bind or apply whatsoever to any affiliate of Cavvue except controlled subsidiaries of Cavvue.

8.9 **Interpretation.** The headings to the clauses, sub-clauses, and parts of this Collaboration Agreement are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Collaboration Agreement. Unless specifically stated otherwise, references to Sections in this Exhibit will be references to the Sections of this Exhibit. As used in this Collaboration Agreement, the words “include” and “including,” and variations thereof, will be deemed to be followed by the words “without limitation,” and “discretion” will be deemed to mean sole discretion. All references to “dollars” or “\$” are references to U.S. dollars. The Parties have participated jointly in the drafting and negotiation of this Exhibit; accordingly, no rule of strict construction will be applied against any Party, and if a question or intent of interpretation arises, this Exhibit will be construed as if drafted jointly by the Parties, and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any provision hereof.