

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (hereinafter, "MOU") is between TOYOTA MOTOR ENGINEERING & MANUFACTURING NORTH AMERICA, INC. (hereinafter, "TEMA") and the BOONE COUNTY (KENTUCKY) BOARD OF EDUCATION (hereinafter, "BCBE").

WHEREAS, TEMA has announced plans to relocate its business operations located in the vicinity of Atlantic Avenue, Erlanger, Kentucky; and

WHEREAS, TEMA desires to provide a lasting legacy supporting future workforce challenges in the Northern Kentucky/ Cincinnati region following its departure from its Northern Kentucky facilities; and

WHEREAS, TEMA and BCBE, in consultation with and support from other stakeholders with a shared vision, which included over fifty (50) local business, education, economic development and government leaders, have worked together since 2015 to formulate a sustainable legacy of innovative education programs for the benefit of the Northern Kentucky/Cincinnati region;

NOW THEREFORE, TEMA and BCBE (hereinafter together, "the Parties") memorialize their intent to proceed to implement their shared vision as follows:

1. Subject to the understandings of the Parties as set forth herein, TEMA will donate its Lab-Engineering Building, located at 37 Atlantic Avenues, Erlanger, Kentucky (the "Lab Building" or "Property") to BCBE in fee simple absolute to provide for the establishment of an innovative fully accredited high school that focuses on the study of science, technology,

engineering, arts and mathematics (the “STEAM Academy”) for the benefit of students from the Northern Kentucky/Cincinnati region. It is anticipated this donation will occur in the fourth quarter, 2017 or the first quarter, 2018, with the actual timing of the donation being determined in good faith by TEMA. The Lab Building is more particularly described on attached Exhibit A.

2. From the proceeds of an approved grant from the Kentucky Education and Workforce Development Cabinet in the approximate amount of \$6.8 Million, BCBE will invest in the Lab Building to adapt and develop the property for its intended educational purposes. In addition, BCBE will provide the operational funding needed to operate the STEAM Academy.

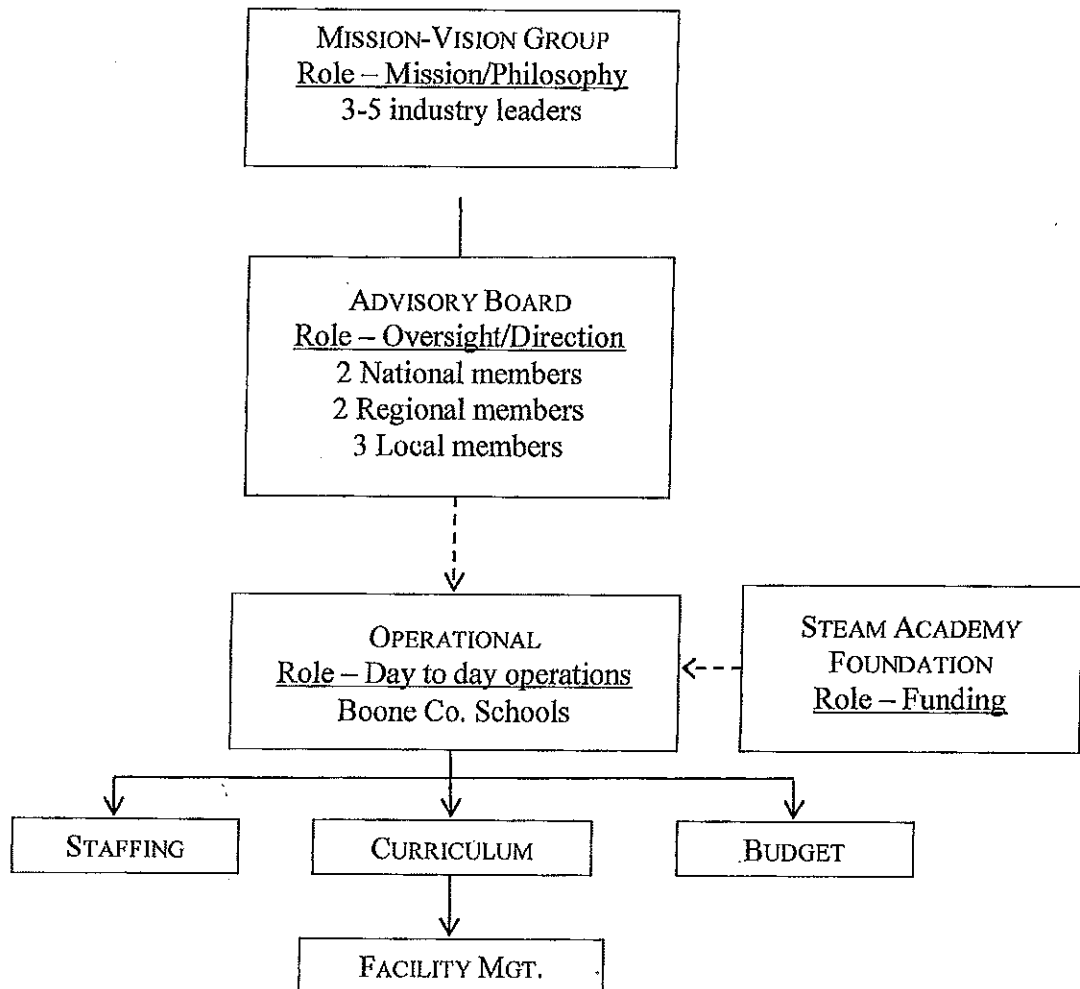
3. The Parties’ vision of the STEAM Academy includes:

- Full-time program for high school students from Northern Kentucky/Cincinnati region
- Student accessibility – admission not based on GPA
- Diversity – engage disadvantaged minority youth
- Project-based learning environment
- Build partnerships with regional post-secondary institutions to offer dual-credit courses
- Mentor for every student; and work with students and parents
- Engage business community through career coaching and development, lectures and bring practical challenges to students for problem-solving projects
- Become a regional/national hub/model for STEAM teacher training
- Do not duplicate, but enhance, existing educational programs
- Network with other STEM/STEAM schools
- Create academy/culture rooted in student empowerment and the foundation of the Toyota Cultural Framework, which is:
 - challenge the status quo,
 - think innovatively,
 - make timely decisions,
 - grow our people’s capabilities, and
 - collaborate across boundaries.

4. While the Parties acknowledge that educational program specifics evolve with advances in the sciences of learning and the future workforce challenges of the region and the nation, the programmatic approach of the STEAM Academy will emphasize and support:

- An equitable and open admissions process for learners with a passion for STEAM education.
- A “train the trainer” STEAM facilitator training component
- Engage a business sector driven innovative space
- Provide extended after-hours and multi-generational use opportunity
- Multiple education delivery methods; e.g., virtual learning, SME, Q&A, hands on/project based, go-and see, etc.
- Strong, engaged partners with industry, education and business mentors
- Interactive problem solving
- Curriculum projects driven by regional and national needs for industry skills
- Active, nimble, and flexible curriculum in content, delivery, and schedule
- Real world project based learning/problem solving
- Business internships, apprenticeships and co-ops
- Evaluations based on 21st century and beyond employee competencies: communication, critical thinking, creativity, collaborative problem-solving, subject matter proficiency

5. The structure of the STEAM Academy will generally be as follows:



6. The Mission-Vision Group's role will be to provide high-level insight, wisdom, philosophy, prestige, and philanthropic direction to the Advisory Board.

7. The Advisory Board's role will be to have interaction with the STEAM Academy faculty and BCBE administrators to advise on curriculum related projects, challenges, and other learning deliveries relevant to regional industry or specific to a company's project development.

8. BCBE will establish a new charitable foundation as a separate legal entity (the "STEAM Academy Foundation"), with its primary mission being to raise funds for tuition

assistance, fund special projects, purchase equipment, supplies, teacher needs and other related costs exclusively for the use and benefit of the STEAM Academy and its students.

9. Ownership, governance, operational control, funding, and facilities management will be with BCBE. All laws, statutes, regulations, policies and procedures, employee contracts and the like, as well as Kentucky curriculum requirements for high school graduation, college credit and all academic program and other legal compliances, and student discipline, which are applicable to BCBE shall apply to the STEAM Academy.

10. This MOU is not intended to be a definitive binding contract, but shall serve as an agreed framework for implementation of the Parties' shared vision for the STEAM Academy, and shall form the basis of a binding transfer agreement to be negotiated between the Parties (the "Transfer Agreement"). It is anticipated that the Transfer Agreement will include, but not be limited to:

- a. Providing that the Lab Building will be transferred "as is", subject to easements and restrictions of record;
- b. Providing greater detail and purpose regarding the Mission-Vision Group and Advisory Board and their respective roles related to the STEAM Academy and relation to BCBE;
- c. Provide for the possibility of sharing the parking available on Lot 6, or a subdivision of Lot 6, of the Property to the extent that there may be excess parking or land not needed for the STEAM Academy.

d. Providing for the possible dedication to the public of all or a portion of Atlantic Avenue.

e. Providing for such other steps as may be determined to be reasonably necessary and appropriate by TEMA to divide the Property from TEMA's contiguous property and to market and sale such contiguous property.

11. To maintain the confidentiality of the donation of the Lab Building until it is publicly announced by TEMA, this MOU shall be executed by the BCBE Superintendent, but not presented for ratification of the BCBE Board until after the public announcement of the donation by TEMA. The Parties acknowledge that the MOU shall not be effective as an understanding of the Parties until it has been approved by the BCBE Board.

IN WITNESS WHEREOF, the Parties set their hands on the respective dates indicated.

**TOYOTA MOTOR ENGINEERING & MANUFACTURING
NORTH AMERICA, INC.**

By: D. Uehio
Its: Executive Vice President

3/7/2017
date

BOONE COUNTY (KENTUCKY) BOARD OF EDUCATION

By: Randy Poe
Its: Superintendent

3-6-17
date

EXHIBIT A

Being all of Lots 6, 7, and 8, Circleport III, Business Park. as follows:

Group: 4167 Boone

Being all of Lots 6 and 7 Circleport III Replat of Lots 2-7 Incorporating the Vacated Right-of-Way of Atlantic Avenue as shown on Plat Slide 43B (Boone) as shown on the plat recorded in Cabinet 4, Slide 38 of the Boone County Clerk's records at Burlington, Kentucky.

Groups: 1804 Boone and Group: 4752 . PIDN: 002-00-00-008.00 Kenton

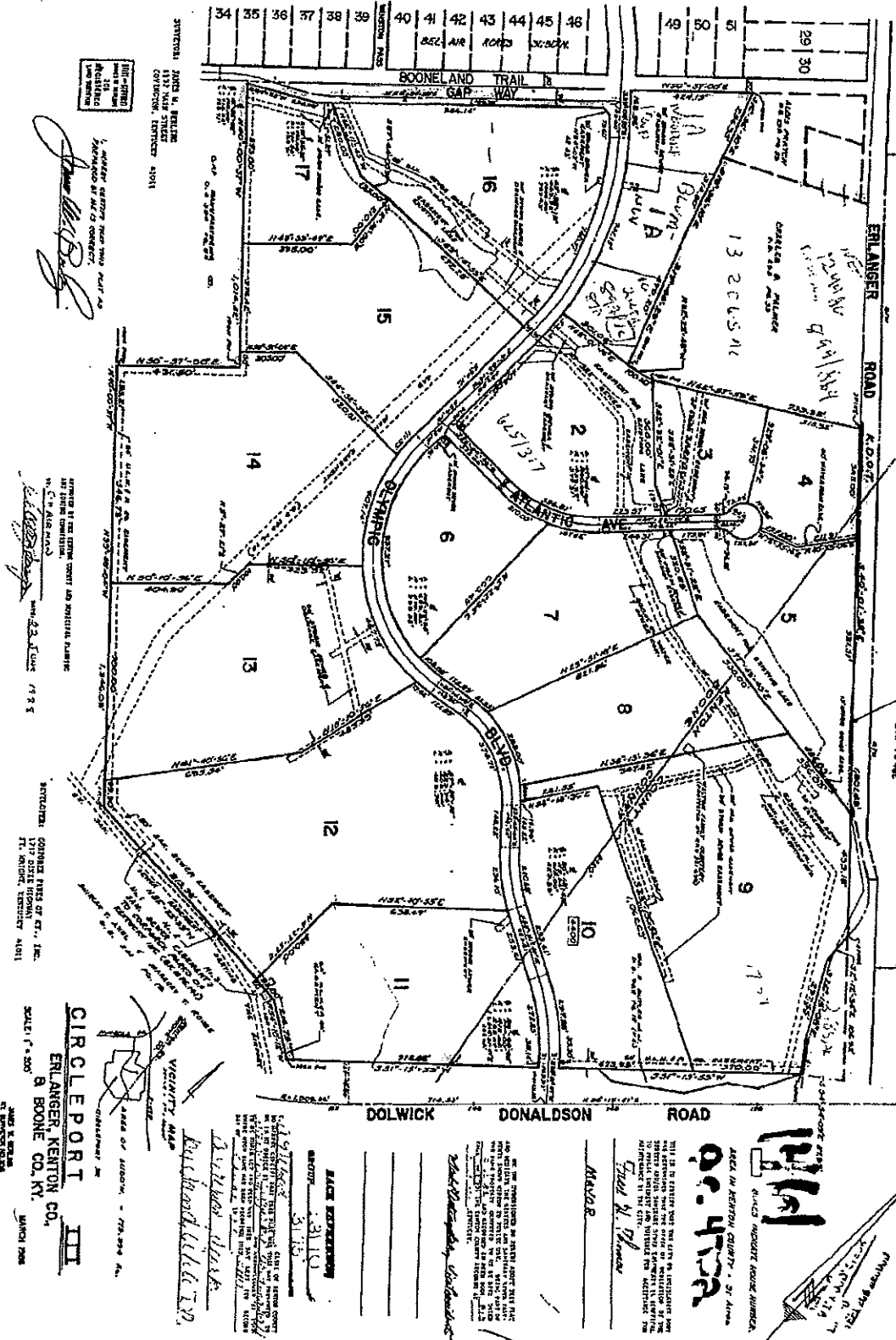
Being all of Lot 8 Circleport III, Business Park as shown on the plat recorded in Plat Book 43B of the Boone County Clerk's records at Burlington, Kentucky and on Plat Slide 1461 of the Kenton County Clerk's records at Covington, Kentucky.

7343612.4

Exhibit A

1-275

1991



Toyote's Property plat
 Circleport III Subdivision
 County Line

EXHIBIT 2