



**Memorandum of Understanding between the City
of Charlotte and Arrival to collaborate on
strategies to achieve the Strategic Energy Action
Plan (SEAP)**

ARRIVAL

This MEMORANDUM OF UNDERSTANDING (“MOU”) is made and entered into this 9th day of December, 2020 (the “Effective Date”) by and between the City of Charlotte (“Charlotte” or “City”) and Arrival Automotive USA Inc. (“Arrival”), headquartered in Charlotte to document their intention to collaborate on strategies to achieve the goals laid out in the Strategic Energy Action Plan (SEAP). Charlotte and Arrival may be referred in this document individually as a “Party” and collectively as the “Parties”.

RECITALS

WHEREAS, Charlotte is a North Carolina municipal corporation that endeavors to protect the public health and safety of its residents; and

WHEREAS, Arrival is a new technology company that is developing an Integrated Transportation Ecosystem that consists of zero emissions vehicles, charging infrastructure, digital services and mobility services to enable fleets and cities to electrify their transportation system; and

WHEREAS, In 2018, Charlotte City Council adopted the Strategic Energy Action Plan (SEAP) to provide solutions for sourcing zero carbon energy for its fleet and buildings by 2030 and reducing carbon emissions to 2 tons of CO₂ equivalent per person by 2050 in order to make Charlotte a more attractive place to live and work and be globally competitive; and

WHEREAS, Arrival’s United States Headquarters will be located in Charlotte; and

WHEREAS, to advance common interest, Charlotte and Arrival intend to create a holistic, collaborative and mutually beneficial relationship that supports the community; and

WHEREAS, Charlotte and Arrival desire to memorialize, in the document, their shared vision, guiding principles, values and goals regarding the SEAP.

NOW, THEREFORE, the Parties hereby agree in principle as follows:

1 Collaboration

1.1 Vision

Aspirations and goals, which drive a desired future, represent an organization's vision. Charlotte and Arrival have their own visions and, as part of this collaboration, the Parties have identified a shared vision;

Through this collaboration, Charlotte and Arrival will work to support and achieve a shared vision in areas of mutual alignment, for the benefit of residents, businesses and the broader community. The Parties will, where possible, seek to collaborate to make Charlotte a global leader in utilizing data, technology and collaboration to create a more sustainable and equitable city for all Charlotteans through electrification of the transportation system. The Parties will work toward minimizing both external and internal barriers to the rapid implementation of innovations.

1.2 Values

The Parties seek to lead with their values, which are the standards that define what the community, Charlotte and Arrival determine are important. In essence, values help shape the "why" of what we do on a daily basis. Overall, the community has a large impact on determining the Parties' values. Charlotte and Arrival desire to make Charlotte a sustainable and equitable city that achieves:

Emission Reductions: Transitioning to zero-emission energy and transportation will benefit city residents, visitors and businesses through improved public health and additional economic opportunities.

Transportation Equity: Provide equitable access to safe, zero-emission and accessible transportation options and new technologies.

Community and Stakeholder Engagement: Charlotte and Arrival value equitable community and stakeholder feedback and engagement and will strive to bring all voices into the implementation of the SEAP.

2 Principles

As Charlotte and Arrival, in conjunction with the community, seek to achieve shared goals, the Parties intend to follow certain tenets as set out in this Section 2. These guiding principles will supply the 'how' of the implementing Parties' shared vision and for executing the SEAP.

2.1 Collaboration

Charlotte and Arrival will work collaboratively to achieve the shared vision with respect, transparency and innovative thinking, as well as by establishing open and effective channels of communication.

2.2 Prioritization

The Parties will make this SEAP collaboration and its successful implementation a priority. Accordingly, the Parties will prioritize their goals and objectives.

2.3 Scalability

The Parties will seek to develop areas of collaboration that are replicable, scalable and available to other communities in North Carolina and the surrounding region.

2.5 Public Policy Support

Charlotte and Arrival will, where possible, seek to collaborate to advance public policy matters at the state and local levels where they share common interests in furtherance of this MOU.

2.6 Leveraging Parties Efforts

The collaboration will leverage each Party's unique efforts and opportunities, such as collaboration on federal and private grants and funding opportunities that align with this MOU.

3 Planning, Progress and Execution

3.1 Work Plan & Deliverables

After execution of this MOU, the Parties intend to develop a plan to advance collaboration and the areas identified in Section 4 below; the plan will be updated on a biennial basis. The plan will detail the deliverable to be presented, as well as a timeline, and will follow the intent of this MOU. The Parties intend to use their reasonable efforts to achieve such deliverables in the prescribed timeframes. An overview of the work performed, and the results achieved will be prepared by the Parties on an annual basis. The Parties intend to prioritize the actions to be performed in the plan, in doing so, the Parties will consider the intent of the MOU as well as regulatory requirements in North Carolina.

3.2 Legal Applicability and Waiver

The Parties agree that this MOU memorializes the intent of the Parties regarding this collaboration, but nothing expressed or implied in this MOU creates a legally binding enforceable agreement, or any rights, duties, obligations, or liabilities whatsoever (with the exception of Sections 5 - 8). This MOU constitutes only a non-binding statement of the Parties' intentions and neither constitutes nor should be construed as evidence of any form of offer, acceptance or binding contract or the basis for agreement by estoppel or otherwise. Without limiting the foregoing, the failure of the Parties to reach agreement on the matters set out or related to this MOU (following its execution) shall not be construed as a breach of this MOU by any Party. It is agreed by the Parties that nothing in this MOU will be deemed or construed as creating a joint venture, trust, partnership, or any other legal relationship between the Parties. This MOU is for the benefit of the Parties and does not create third party rights. Nothing in this document constitutes a waiver of Charlotte's ordinances, Charlotte's regulatory jurisdiction or North Carolina's regulatory jurisdiction. This MOU, and the discussion related to the collaboration, is terminable at will at any time, by either Party, by delivery of a written notice to the other Party of such termination (and without having to give any reasons for doing so or incurring any liability to the other Party under this MOU).

3.3 No impact on Other Agreements

The execution, delivery and performance by the Parties of this document does not, in any way, amend, modify or otherwise alter any such Party's respective rights and obligations under any other agreement, instrument or other understanding by which it is bound.

3.4 Duration

This Collaboration is a new endeavor and therefore the Parties want to provide adequate time to develop the collaboration and successfully implement its goals. It is anticipated that this will run through 2030, but either Party may at will terminate this MOU or the discussions on the collaboration at any time in the event it elects to do so by providing written notice to the other Party, and without having to give any reasons for doing so or incurring any liability to the other Party under this MOU (pursuant to Section 3.2 above).

4 Areas of Action

Charlotte and Arrival intend to collaborate on the following Areas of Action from the 2018 Strategic Energy Action Plan (SEAP);

Area 2: Citywide Communication Campaign

Public and stakeholder understanding and acceptance is critical to the success of transportation electrification and new mobility services. Education and outreach campaigns, including vehicle and technology exposure is a key tool to earning public trust. Charlotte and Arrival will pursue opportunities to develop coordinated and targeted public education sessions.

Area 3: Smart Data Approaches

The success of this collaboration will depend, in part, on cooperative sharing of information and data in a timely manner (but subject to applicable restrictions on information sharing such as regulatory constraints, non-disclosure agreements and proprietary interests). Charlotte and Arrival shall identify and leverage data streams from multiple sources to inform planning and improvement of transportation equity, transportation impact on public health and improved road safety.

Area 5: Zero Carbon Municipal Buildings

While Arrival does not own or lease any municipal buildings, it is important that the private sector leads by example and sets goals for zero carbon buildings. To that end, Arrival, in consultation with Charlotte will investigate a number of renewable energy, water and energy saving projects, promoting a zero waste approach and providing transparent data on the impact of Arrival facilities on the local and global community.

Area 6: Zero Carbon City Fleet

Charlotte's ambitious goal of a 100% zero carbon city fleet by 2030 will require support from all stakeholders. As a manufacturer of advanced electric vehicles, Arrival can provide unique insights into the technologies available, total cost of ownership (TCO) models and vehicle telemetry data on duty and charging cycles that will assist Charlotte in developing a robust and achievable transition plan.

Area 8: Sustainable Modes of Transportation

Improving and increasing access to safe, zero-emission and accessible transit is a core goal for Arrival and Charlotte. As part of Area 6 and 11, Charlotte and Arrival will investigate strategies and pilot programs of sustainable transportation for Charlotte and the region's citizens.

Area 10: Workforce Development

Developing a pipeline of skilled workers and future leaders is critical to the success of the SEAP and a sustainable future. Charlotte and Arrival shall pursue opportunities to develop programs for education in STEM, internships and partnerships with local community colleges and universities, with emphasis on the promotion of opportunities for women and BIPOC from the Charlotte region.

Area 11: Public-Private-Plus Partnerships

Collaboration between the public and private sector is needed to drive innovation and make sustainable technologies available to benefit the public. Charlotte and Arrival will investigate potential partnerships on mobility and transportation pilot programs, accessibility and inclusivity of vehicles, public safety and circular economy and recycling programs.

5 Proprietary Information

5.1 General Requirements.

Any information, including but not limited to data, business information, technical information, computer programs and documentation, programs, files, specifications, drawings, sketches, models, samples, tools or other data, oral, written or otherwise, (together, the Proprietary Information), furnished or disclosed by one Party to the other for the purpose of the contemplated transaction herein, will remain the disclosing Party's property. All copies of such Proprietary Information in written, graphic or other tangible form must be returned to the disclosing Party immediately upon written request if the transaction(s) or collaboration contemplated herein is not consummated. Unless such Proprietary Information was previously known to receiving Party free of any obligation to keep it confidential, or has been or is subsequently made public by the disclosing Party or a third party, it may not be used for any other purposes except to evaluate and work on the Parties' collaboration as contemplated in this MOU, and upon such other terms as may be agreed upon between the Parties in writing.

5.2 Public Records.

Notwithstanding anything contained herein to the contrary, the Parties recognize and acknowledge that the City is a subdivision of the State of North Carolina and is, therefore, subject to the North Carolina Public Records Act (the "Act") at N.C. Gen. Stat. 132-1 et seq. The parties further acknowledge that any Proprietary Information that is a public record under North Carolina law may be released and disclosed by the City pursuant to the Act, and that any such release or disclosure shall not in any way constitute a breach of this MOU, nor shall the City be liable to Arrival for such release or disclosure.

In the event the City receives a request for disclosure of Proprietary Information which Arrival has specifically marked "Confidential" or "Proprietary" the City shall give Arrival written notice of such request (the "Notice of Request for Disclosure"). In the event Arrival has a reasonable basis for contending that the disclosure of such Proprietary Information is not required by the Act, Arrival shall within ten days after receipt of the Notice of Request for Disclosure notify the City in writing of its objection to disclosure and the basis therefor. Arrival shall indemnify, defend and hold harmless the City from and against all losses, damages, liabilities, costs, obligations and expenses (including reasonable attorneys' fees) incurred by the City in connection with any refusal by the City to disclose Confidential Information after receiving an objection to disclosure from Arrival. If the City receives no written objection from Arrival within ten days after Arrival's receipt of a Notice of Request for Disclosure, the City shall disclose the Confidential Information referenced in the Notice of Request for Disclosure.

6. Publicity

No announcement or press release shall be made regarding any aspect of this MOU, the proposed collaboration or any matter ancillary thereto without the prior written consent of each Party. For the avoidance of doubt, Charlotte does not have any rights whatsoever to use any intellectual property (including without limitation trademarks, designs or drawings) belonging to Arrival without the prior written consent of Arrival.

7. Governing law and jurisdiction

This MOU and any dispute or claim (including any non-contractual disputes or claims) arising out of or in connection with it, or its subject matter or formation, shall be governed by and construed in accordance with the laws of the State of North Carolina.

Each Party irrevocably agrees that the courts of the State of North Carolina shall have exclusive jurisdiction to settle any dispute or claim (including any non- contractual disputes or claims) arising out of or in connection with this MOU or its subject matter or formation.

8. Counterparts

This MOU may be executed in multiple counterparts, each of which shall be deemed an original. It shall not be necessary that each Party executes each counterpart, or that any one counterpart be executed by more than one Party so long as each Party executes at least one counterpart.

9. Signatures

Signed on the date first above written.

For and on behalf of Arrival Automotive USA Inc

<p>CITY OF CHARLOTTE</p>  <p>Tracy Dodson, Assistant City Manager</p>	<p>ARRIVAL AUTOMOTIVE USA INC.</p>  <p>Mike Ableson, CEO</p>
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