



MICHIGAN STRATEGIC FUND

September 17, 2025

Gotion, Inc.
Attn: Chuck Thelen
48660 Kato Road
Fremont, CA 94538

Re: Notice of Events of Default

Dear Mr. Thelen:

This letter is in reference to that certain Critical Industry Program ("CIP") Grant Agreement, dated September 15, 2023, by and between the Michigan Strategic Fund ("MSF") and Gotion, Inc. (the "Company").

The purpose of this letter is to advise you that the Company is in default of its obligations under Section 6.1(h) of the CIP Grant Agreement for "any voluntary Abandonment of the Project by the Company". As defined in the CIP Grant Agreement, "Abandonment" means "*the Company's cessation of Eligible Activities . . . at the Property for a period of one hundred twenty (120) consecutive days.*" As you are aware, no Eligible Activities have occurred at the Property for more than one hundred twenty (120) consecutive days.

Further, the Company is in default of its obligations under Section 6.1(i) of the CIP Grant Agreement for "any suit or proceeding pending or threatened by or before any court, governmental commission, board, bureau, or other administrative agency or tribunal during the Term which would reasonably be expected to have a material adverse effect on the Project or the Grantee's performance of its obligations under this Agreement or any of the Transaction Documents". At present there are at least two pending lawsuits associated with the Project: *Green Charter Township v. Mecosta County* filed by Green Charter Township on March 7, 2024, and *Gotion, Inc. v. Green Charter Township* filed by the Company on March 15, 2024, each of which is having a material adverse effect on the Project and the Company's performance under the CIP Grant Agreement and under the Transaction Documents, including, without limitation, as a result of cross-default provisions.

Upon the occurrence of, and during the continuance of, an Event of Default, the MSF may suspend making any disbursements under the CIP Grant Agreement. Accordingly, please be advised that any and all disbursements under the CIP Grant Agreement are suspended. If the Events of Default are not cured to the satisfaction of the MSF, the CIP Grant Agreement may be terminated, all grant disbursements made to the Company under the CIP Grant Agreement shall be repaid to the MSF, and the MSF will pursue any and all of its rights, including without limitation, under the Mortgage and the repayment of the \$23,670,873.56 of SSRP funds that were disbursed from the MSF to The



Right Place, Inc. and accordingly from The Right Place, Inc. to the Company as a reimbursement for the Company's purchase of land on which the Project was to occur.

If the above Events of Default are not resolved within thirty (30) calendar days of the date of this Notice of Default, the MSF expects immediate repayment of the \$23,670,873.56 of SSRP funds. Further, the MSF will take action to terminate the CIP Grant Agreement and to pursue all other rights and remedies under the CIP Grant Agreement, including under the Mortgage and the Renaissance Zone Agreement.

Sincerely,

MICHIGAN STRATEGIC FUND

Signed by:

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Matthew Casby
MSF Fund Manager

cc: Christin Armstrong, Chief Operating and Performance Officer
Mark Heusel, Dickinson Wright
Colleen Horton, Vice President – Compliance