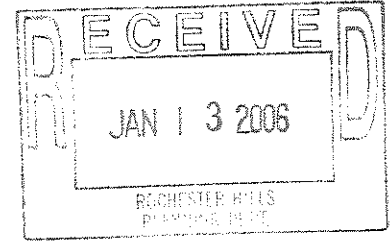




MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

January 9, 2006



Kurt Dawson, Treasurer
City of Rochester Hills
1000 Rochester Hills Drive
Rochester Hills, Michigan 48309

300 N. WASHINGTON SQ.
LANSING, MI 48913

CUSTOMER
CONTACT CENTER
517 373 9808

WWW.MICHIGAN.ORG

Dear Mr. Dawson:

The Michigan NextEnergy Authority (MNEA) is charged by law (Public Act 593 of 2002) with the certification of alternative energy technology businesses and alternative energy personal property (Public Act 549 of 2002). The MNEA is also charged with notifying the assessors and treasurers of the local tax collecting unit and the secretary of the school district, in which the property is located, of such certification.

The enclosed resolution, certifying Energy Conversion Devices, Inc. as an Alternative Energy Technology Business and certifying the attached list of personal property as Alternative Energy Personal Property exempt from certain property taxes, was adopted at a meeting of the MNEA held on December 20, 2005. As indicated in the enclosed resolution, the maximum value of the exempted property in Rochester Hills is \$1,436,154 and is subject to the assessor's concurrence.

The City of Rochester Hills has sixty days from receipt of this letter in which to adopt a resolution to opt-out of the exemption of the alternative energy personal property from local personal property taxes.

The Avondale School District also has sixty days from receipt of this letter in which to adopt a resolution to opt out of specific school-related taxes levied against the personal property.

Personal property acquired by Energy Conversion Devices, LLC prior to January 1, 2013 may be eligible for certification as Alternative Energy Personal Property by the MNEA in future years. The City of Rochester Hills and the Avondale School District will be notified of any future certification and will have sixty days in which to adopt a resolution to opt-out of the exemption on that personal property.

If you have questions, please contact me at 517-335-4418.

Sincerely,

[Handwritten signature of Karen Ammarman]

Karen Ammarman
Secretary to the MNEA Board

Enclosures

EXECUTIVE COMMITTEE

MATTHEW P. CULLEN
Chair
General Motors

PHILIP H. POWER
Vice-Chair
HCN, Inc.

JAMES C. EPOLITO
President & CEO

RICHARD E. BLOUSE JR., CCE
Detroit Regional Chamber

JOHN W. BROWN
Stryker Corporation

DR. DAVID E. COLE
Center for
Automotive Research

JOANN CRARY
Saginaw Future Inc.

DR. HAIFA FAKHOURI
Arab American and
Chaldean Council

STEVEN K. HAMP
The Henry Ford

RAYDEN H. HARRIS
EDF Ventures

PAUL HILLEGONDS
OTE Energy Company

DAVID C. HOLLISTER
Michigan Department of
Labor & Economic Growth

GEORGE JACKSON JR.
Detroit Economic Growth
Corporation

MICHAEL J. JANDERNOA
Bridge Street Capital
Partners, LLC

MAYOR ROBERT B. JONES
City of Kalamazoo

BIRGIT M. KLOHS
The Right Place, Inc.

DR. IRVIN D. REID
Wayne State University

RICHARD SHOEMAKER
UAW International

S. MARTIN TAYLOR
Detroit Renaissance

GARY TORGOW
Sterling Group

PETER S. WALTERS
Guardian Industries Corp.



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Michigan NextEnergy Authority (MNEA)

Certificate

Resolution 2005-06

Energy Conversion Devices, Inc.

EXECUTIVE COMMITTEE

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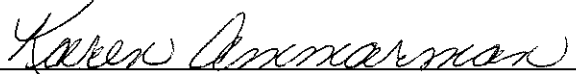
M. MARTIN TAYLOR
Detroit Renaissance

MARY TORGOW
Sterling Group

PETER S. WALTERS
Guardian Industries Corp.

I, Karen Ammarman, Secretary to the MNEA Board, do hereby certify that the attached is a true and complete copy of a resolution adopted by the MNEA board at a meeting on December 20, 2005, and that public notice of said meeting was given pursuant to Act No. 24, Public Acts of Michigan, 1995, including the case of a special or rescheduled regular meeting, or a meeting recessed for more than 36 hours, notice by posting at least 18 hours prior to the time set for the meeting.

IN WITNESS WHEREOF, I have hereto affixed my signature this 22nd day of December, A.D. 2005


Karen Ammarman
Secretary to the MNEA Board


Carol Knobloch Johns, Recording Secretary
MNEA Board

Resolution 2005-06
Michigan NextEnergy Authority

Energy Conversion Devices, Inc.

At the meeting of the Michigan NextEnergy Authority (MNEA) held on December 20, 2005 in Lansing, Michigan.

WHEREAS, Energy Conversion Devices, Inc. (the "Company"), EIN 38-1749884, is a business entity located at 2956 Waterview Drive, Rochester Hills, Michigan 48309

WHEREAS, on December 16, 2003, the Company was certified as an Alternative Energy Technology Business under the Michigan NextEnergy Authority Act, 2002 PA 593,

WHEREAS, an officer of the Company has certified in writing that the Company continues to be engaged solely in the research, development or manufacturing of the alternative energy technology described as the process of generating and putting into usable form the energy generated by an alternative energy system,

WHEREAS, the alternative energy technology is related to two alternative energy systems; battery cell energy systems and fuel cell energy systems,

WHEREAS, all personal property of an Alternative Energy Technology Business that has not previously been subject to collection of taxes, and has not previously been exempted from taxes, under the general property tax act is eligible for certification,

WHEREAS, the Company has provided a list of such property acquired, or to be acquired, in calendar year 2005 valued at \$1,436,154 that is attached to this resolution,

BE IT RESOLVED, that the MNEA certifies that Energy Conversion Devices, Inc's property as listed on the attached schedule is Alternative Energy Personal property and is exempt from taxes levied before January 1, 2013, provided that the local Assessor determines that the property listed:

- 1) is properly classified as personal rather than real property
- 2) has not been previously subject to taxation under the general property tax act, and
- 3) has not previously been exempted from taxes under the general property tax act.

BE IT FURTHER RESOLVED that notice of these certifications will be forwarded to the Company, the secretary of the local school district, and the treasurer and assessor of the local tax collecting unit in which the Company and the Alternative Energy Personal Property are located.

ADOPTED

AYES: Bo Garcia, David Hollister, Michael Kapp (acting for and on behalf of Gloria Jeff, authorization attached), Sande MacLeod, Faye Nelson (by telephone), Sandy Ring (acting for and on behalf of Jim Epolito, authorization attached), Scott Schragger (acting for and on behalf of Jay Rising, authorization attached).

NAYS:

December 20, 2005
Lansing, Michigan

ADDRESS: 2956 WATERVIEW DRIVE
 ATTN: JULIA PAIS
 ROCHESTER HILLS, MI 48309
 FEIN 38-1749884

ATTACHMENT TO THE 2005 ALTERNATE ENERGY TECHNOLOGY BUSINESS PROPERTY LISTING

Date Acquired	Plant	Description	Serial #	New/Used	Cost	TAG #	Account	FAS #		
02/28/05	1	CDW-ACCOUNTING DB1 SERVER	M00TLK8J3X	N	6,201.14	E0001769	LAB EQUIP	1964		
02/28/05	1	CDW-ACCT-CITRIX2 SERVER	M013LK8J3X	N	6,691.84	E0001770	COMPUTERS	1965		
03/18/05	1	CDW-HP KVM-(COMPAQ)	000299032368	N	4,656.56	E0001771	COMPUTERS	1968		
02/01/05	1	SPIRICON-NIR CAMERA&CONTROLLER	0450S9112	N	26,585.00	E0001772	LAB EQUIP	1969		
08/17/05	1	CDW-PLT 1 CISCO AIRONET ANTENNA/BRIDGE	FTX0921G011	N	3,834.30		COMPUTERS	3630		
	1	FILE SERVER		N	8,650.00		COMPUTERS			
08/17/05	3	PLANT 1 LEASEHOLD IMPROVEMENTS		N	343,164.00		LEASEHOLD IMPR		CIP	CDW
09/06/05	TE -3	CDW-PLT 3 CISCO AIRONET ANTENNA/BRIDGE	FOC0917P00M	N	3,872.41		COMPUTERS	3631	CIP	CIP 6055
	ME -3	GLS MARKING-SIC-EC7 PIN MARKER	40384/00375	N	6,885.00		MACH&EQUIP	3634		
	TE -3	VERTICAL MILLING CENTER		N	109,090.00		MACH&EQUIP			
	ME -3	NITROGEN GENERATOR		N	11,531.60		LAB EQUIP		CIP	PRODUCTION TOOL
	ME -3	PLANT 3 LEASEHOLD IMPROVEMENTS - machine shop		N	668,579.00		LEASEHOLD IMPR		CIP	LINDE GAS
01/31/05	12	CDW-EXCHANGE FRONT END SERVER	M00PLK8J3X	N	4,880.84	E0001774	COMPUTERS	1963	CIP	CIP 6055
03/31/05	12	CDW -CISCO SWITCH@PLT 12	SF0C0839Z1KX	N	3,270.27	E0001775	COMPUTERS	1966		
03/31/05	12	ZONES INC-ENGINEERING FILE SERVER	EA03MNB47	N	8,236.25	E0001773	COMPUTERS	1967		
06/01/05	12	DELL PRECISION 670-DUAL PROCESSOR	59W0CT1	N	5,639.00	E0001789	COMPUTERS	3305		
06/01/05	12	DELL PRECISION 670-DUAL PROCESSOR	89W0C71	N	5,639.00	E0001790	COMPUTERS	3306		
06/01/05	12	DELL PRECISION 670-DUAL PROCESSOR	F8W0C71	N	5,639.00	E0001791	COMPUTERS	3307		
06/01/05	12	DELL PRECISION 670-DUAL PROCESSOR	39W0C71	N	5,639.00	E0001792	COMPUTERS	3308		
06/01/05	12	DELL PRECISION 670	DGX6H71	N	4,889.00	E0001795	COMPUTERS	3309		
06/01/05	12	DELL PRECISION 670	GGX6H71	N	4,889.00	E0001796	COMPUTERS	3310		
06/01/05	12	DELL PRECISION 670	JGX6H71	N	4,889.00	E0001797	COMPUTERS	3311		
06/01/05	12	DELL PRECISION 670	8GX6H71	N	4,889.00	E0001798	COMPUTERS	3312		
06/01/05	12	DELL PRECISION 670	BGX6H71	N	4,889.00	E0001799	COMPUTERS	3313		
06/01/05	12	DELL PRECISION 670	9GX6H71	N	4,889.00	E0001800	COMPUTERS	3314		
06/01/05	12	DELL PRECISION 670	7GX6H71	N	4,889.00	E0001801	COMPUTERS	3315		
06/01/05	12	DELL PRECISION 670	HGX6H71	N	4,889.00	E0001802	COMPUTERS	3316		
06/01/05	12	DELL PRECISION 670	CGX6H71	N	4,889.00	E0001803	COMPUTERS	3317		
06/01/05	TE -12	DELL PRECISION 670	FGX6H71	N	4,889.00	E0001804	COMPUTERS	3318		
		PULSEMASTER LASER		N	148,580.00		LAB EQUIP		CIP	GS GROUP

TOTAL CALENDAR YEAR 2005 ADDITIONS 1,436,154.21 ✓

PLANT 1 2956 WATERVIEW DR. ROCHESTER HILLS, MI 48309
 PLANT 3 2983 WATERVIEW DR. ROCHESTER HILLS, MI 48309
 PLANT 12 2968 WATERVIEW DR. ROCHESTER HILLS, MI 48309

115,538
~~148,325~~
 784,554 ~~777,669~~
 536,062 ~~510,161~~
~~121,739.31~~ Computers
~~109,090~~ ME
~~166,997~~ TE
~~1,011,743~~ TA (Tenant Allowance)



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00 N. WASHINGTON SQ.
ANSING, MI 48913

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December 20, 2005

EXECUTIVE COMMITTEE

ATTHEW P. CULLEN
Chair
General Motors

PHILIP H. POWER
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President & CEO

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FRANK W. BROWN
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ANN CRARY
Saginaw Future Inc.

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EVEN K. HAMP
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RYDEN H. HARRIS
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JL. HILLEGONDS
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Wayne State University

HARD SHOEMAKER
IAW International

MARTIN TAYLOR
Detroit Renaissance

RY TORGOW
Sterling Group

ER S. WALTERS
Guardian Industries Corp.

Ms. Karen Ammarman
Secretary
Michigan NextEnergy Authority Board
300 North Washington Square
Lansing, Michigan 48913

Dear Ms. Ammarman:

I hereby designate Sandy Ring, MEDC Chief Operating Officer, to represent me and vote at all MNEA Board Meetings when I am unable to attend.

If you have any questions, please feel free to contact me at 517-241-1400.

Sincerely,

James C. Epolito
President and CEO

Cc: Sandy Ring
Jim Lancaster



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

JAY B. RISING
STATE TREASURER

December 20, 2005

Michigan Economic Growth Authority
300 North Washington Square
Lansing, MI 48913

To Whom It May Concern:

I hereby designate Scott Schrage, Special Assistant to the State Treasurer, Executive Division, Department of Treasury, to represent me at meetings of the Michigan Next Energy Authority, which I am unable to attend.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay B. Rising".

Jay B. Rising
State Treasurer



STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

GLORIA J. JEFF
DIRECTOR

November 28, 2005

Ms. Karen Ammarman
Michigan Economic Growth Authority Board
Michigan Economic Development Corporation
300 North Washington Square
Lansing, Michigan 48913

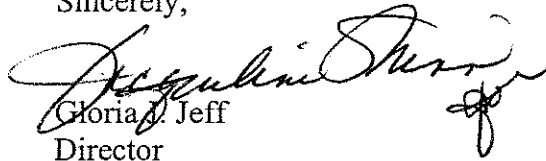
Dear Ms. Ammarman:

As you know, Jacqueline G. Shinn, MDOT Chief of Staff and Administrator of the Transportation Economic Development and Enhancement Office, acts on my behalf at the Next Energy Board meetings as an alternate representative.

In the case when Ms. Shinn or I are unable to attend a particular board meeting due to scheduling conflicts, I am appointing Michael Kapp, Manager of the Transportation Economic Development and Enhancement Office, as my alternate representative to attend and act on my behalf.

If you have any questions regarding this appointment, please call at (517) 373-0718.

Sincerely,


Gloria J. Jeff
Director