



**ANDERSON
COUNTY**
SOUTH CAROLINA

**AGENDA
ANDERSON COUNTY**
Tuesday, October 6, 2020 at 12:00pm
Anderson County Civic Center
3027 Martin Luther King Jr. Blvd.
Chairman Tommy Dunn, Presiding

Tommy Dunn
Chairman
Council District 5

Brett Sanders
Vice Chairman
Council District 4

Craig Wooten
Council District 1

Gracie S. Floyd
Council District 2

Ray Graham
Council District 3

Jimmy Davis
Council District 6

M. Cindy Wilson
Council District 7

Lacey A. Croegaert
Clerk to Council

Rusty Burns
County Administrator

1. **CALL TO ORDER:**
2. **INVOCATION AND PLEDGE OF ALLEGIANCE:** Mr. Brett Sanders
3. **APPROVAL OF MINUTES:** Minutes of September 15, 2020; not received.
4. **CITIZENS COMMENTS:** Agenda Matters only
5. **DISTRICT 2 COMMENTS:** Ms. Gracie S. Floyd (allotted 15 minutes)
6. **ORDINANCE THIRD READING:**
 - a. **2019-059:** An ordinance to amend the Agreement for the development of a Joint County Industrial and Business Park (2010) of Anderson and Greenville Counties so as to enlarge the park (Project: Cheney Mill/Cheney Mill Owner LLC)
PUBLIC HEARING-NO TIME LIMITS Mr. Burriss Nelson (allotted 5 minutes)
 - b. **2020-017:** An ordinance authorizing the execution and delivery of a Fee in Lieu of Tax Agreement by and between Anderson County, South Carolina and PRTR, LLC, a company formerly known to the County as Project Westwind, with respect to certain economic development property in the County, whereby such property will be subject to certain payments in Lieu of Taxes, including the provision certain Special Source Revenue Credits. (Project Westwind) **PUBLIC HEARING-NO TIME LIMITS**
Mr. Burriss Nelson (allotted 5 minutes)
7. **REPORT FROM FINANCE COMMITTEE HELD MONDAY OCTOBER 5, 2020:**
 3. Registration & Elections CTCL Grant Chairman Brett Sanders (allotted 5 minutes)
 4. Green Pond SC DNR Grant
 5. Viva Recycling Update LLC DHEC Cleanup Grant & S& ME Consulting Services Agreement
 6. Continued Discussion of FY 21 Budget
8. **ORDINANCE SECOND READING:**
 - a. **2020-020:** An ordinance to adopt the Operating and Capital Budgets of Anderson County for the Fiscal Year beginning July 1, 2020, and ending June 30, 2021, and to make appropriations for such Anderson County Budgets for County ordinary purposes and for other County purposes for which the County may levy a tax other than for Tri-County Technical College purposes; to provide for the levy of taxes on all taxable personal and real estate properties in Anderson County for such ordinary purposes, including sufficient tax to pay the principal and interest on outstanding indebtedness of the Anderson County maturing during said Fiscal Year; to adopt the Operating and Capital Budgets of Anderson County for the Fiscal Year beginning July 1, 2020, and ending June 30, 2021, and to make appropriations for such Anderson County Budgets for Tri-County Technical College; to provide for the levy of taxes on all personal and real properties in Anderson County on which school taxes may be levied for such Tri-County Technical College purposes; to provide for the levy assessment and collection of certain other taxes and fees; to provide for the expenditure of said taxes and other revenues coming to the County during said Fiscal Year; and to provide for other matters relating to Anderson County.
Mr. Brett Sanders (allotted 20 minutes)
 - b. **2020-021:** An ordinance to approve a template Lease Agreement for Incubator/Soft Landing Economic Development Projects at Anderson County's Facility at 1428 Pearman Dairy Road.
Mr. Burriss Nelson (allotted 5 minutes)

- c. **2020-022:** An ordinance to amend Section 2-38-(c) (4) of the Code of Ordinances, Anderson, South Carolina, so as to establish that each speaker will be allowed not more than three (3) minutes to address the matter for which a public hearing has been scheduled. Chairman Tommy Dunn (allotted 5 minutes)

9. ORDINANCE FIRST READING:

- a. **2020-023:** An ordinance to amend and Agreement for the development of a Joint County Industrial and Business Park (2010 Park) of Anderson and Greenville Counties as to enlarge the park.
(Project Unity Gateway) Mr. Burriss Nelson (allotted 5 minutes)
- b. **2020-024:** An ordinance to amend the zoning map to rezone +/- 10.01 acres from C-2 (Highway Commercial) to R-M1 (Mixed Residential) on Highway 81 N and 227,231 and 235 Scenic Road, Anderson. TMS # 146-00-08-003; 146-00-08-027; 146-00-08-028 and 146-00-08-029. (District 4)
PUBLIC HEARING-NO TIME LIMITS Ms. Alesia Hunter (allotted 5 minutes)
- c. **2020-025:** An ordinance authorizing (1) pursuant to Chapter 44 of Title 12, South Carolina Code of Laws, 1976, as amended, the execution and delivery of a Fee Agreement by and between Anderson County, South Carolina and BMW Manufacturing CO, LLC; and (2) other matters relating thereto.
Mr. Burriss Nelson (allotted 5 minutes)
- d. **2020-026:** An ordinance authorizing (1) the conversion and transfer of property subject to an existing Lease Agreement between Anderson County, South Carolina (The "County") and Michelin North America, Inc. (FKA Michelin Tire Corporation) (The "Company"), to a Fee-in-Lieu of Property Taxes arrangement under Title 12, Chapter 44 of the South Carolina Code, as amended; (2) the execution and delivery of such documents as may be necessary to effect the intent of this ordinance; and (3) other matters relating thereto. [1988 Fee Agreement] Mr. Burriss Nelson (allotted 5 minutes)
- e. **2020-027:** An ordinance authorizing (1) the conversion and transfer of the property subject to an existing Lease Agreement between Anderson Count, South Carolina (The "County") and Michelin North America, Inc. (FKA Michelin Tire Corporation) (The "Company"). To a Fee-in-Lieu of Property Taxes arrangement under Title 12, Chapter 44 of the South Carolina Code, as amended; (2) the execution and delivery of such documents as may be necessary to effect the intent of this ordinance; and (3) other matters relating thereto. [1996 Fee Agreement] Mr. Burriss Nelson (allotted 5 minutes)
- f. **2020-028:** An ordinance authorizing (1) the execution and delivery of an Infrastructure (Special Source Revenue) Credit Agreement by and between Anderson County, South Carolina (The "County") and Michelin North America, Inc. (FKA Michelin Tire Corporation) (The "Company") to provide for Infrastructure Credits with respect to certain property located in the County; (2) the benefits of a Multi-County Industrial or Business Park designation to be made available to the Company and such property; and (3) other matters relating thereto. Mr. Burriss Nelson (allotted 5 minutes)
- g. **2020-029:** An ordinance authorizing the execution and delivery of and amended and reinstated Fee-in-Lieu of Tax Agreements by and between Anderson County, South Carolina and COI Anderson Industrial, LLC with respect to certain economic development property in the County, whereby such property will be subject to certain payments in Lieu of Taxes, including the provision of certain Special Revenue Credits; and other matters related there to. Mr. Burriss Nelson (allotted 5 minutes)

- h. **2020-030**: An ordinance authorizing the execution and delivery of an amendment to a Fee-in-Lieu of Ad Valorem Taxes Agreement between Anderson County, South Carolina and a Company known to the County as Project Ammo to provide for an extension of the investment period therein and grant of additional Special Source Revenue Credits; authorizing the execution and delivery of a purchase and sale agreement to provide for the transfer of certain real property located in the Alliance Industrial Park from the County to Project Ammo; approving the inclusion of the project in a Multi- County Business and Industrial Park; and other matters related thereto. (Project Ammo) (Title Only) Mr. Burriss Nelson (allotted 5 minutes)
- i. **2020-031**: An ordinance to amend Chapter 70, Article 5 of the Anderson Count Code of Ordinance, to include new Zoning District Classifications and also to amend Section 5:2 Residential Agricultural District Setback. Ms. M. Cindy Wilson (allotted 5 minutes)
- j. **2020-032**: An ordinance to amend the Ordinance No. 2018-011 related to the addition of Division 3 Titled Standards and Procedures for Franchising of Private Ambulance Services so as to add a new Section 30-87 Titled Operation within the County without obtaining a Franchise and to appropriately renumber succeeding sections; and other matters related thereto. Mr. Rusty Burns (allotted 5 minutes)

10. RESOLUTIONS:

- a. **R2020-022**: A resolution authorizing the execution and delivery of an Inducement Agreement by and between Anderson County, South Carolina and Project Malibu, whereby, under certain conditions, Anderson County will execute a Fee in Lieu of Tax and Special Source Credit Agreement with respect to a project in the County whereby the project would be subject to payment of certain Fee in Lieu of Taxes, and whereby Project Malibu will be provided certain credits against fee payments in reimbursement of investment in related qualified infrastructure; and providing for related matters. (Project Malibu) Mr. Burriss Nelson (allotted 5 minutes)
- b. **R2020-023**: A resolution (1) inducing BMW Manufacturing CO., LLC (The "Company") to make certain investment in Anderson County, South Carolina (The "County"); authorizing, under certain conditions, the entering into of a Fee-in-Lieu of Taxes Agreement by and between the County and the Company in the event of such investment; and (3) authorizing other matters related thereto. Mr. Burriss Nelson (allotted 5 minutes)
- c. **R2020-024**: A resolution to authorize the County Administrator to execute a Lease Agreement with The United States Army Corps of Engineers ("COE") for the Asbury Park site on Lake Hartwell located at the end of Asbury Park Road for redevelopment by a private entity through sublease with Anderson County; and other matters related thereto. Mr. Rusty Burns (allotted 5 minutes)
- d. **R2020-025**: A resolution to authorize the County Administrator to negotiate and execute with the United States Army Corps of Engineers a long term lease of the River Forks Recreation Area and the Weldon Island Day Use Area, both located on Lake Hartwell; and other matters related thereto. Mr. Rusty Burns (allotted 5 minutes)

11. NORBERT LANE RESURFACING APPROVAL:

Mr. Steve Newton (allotted 5 minutes)

- 12. UPDATE FROM PLANNING AND PUBLIC WORKS COMMITTEE MEETING HELD ON WEDNESDAY, SEPTEMBER 16, 2020 AND LAND USE ADHOC COMMITTEE MEETING HELD ON THURSDAY, OCTOBER 1, 2020:** Ms. M. Cindy Wilson and Mr. Tommy Dunn (allotted 10 minutes)

13. APPOINTMENTS: None

14. REQUESTS BY COUNCIL:

(allotted 14 minutes)

The Potter's House Restoration Ministries dba MADD Talent- District 2

YMCA of Powdersville- District 6

Tiaras to Crowns- All Districts

South Main Chapel and Mercy Center -Community Resource Guide- All Districts

15. ADMINISTRATORS REPORT:

(allotted 2 minutes)

16. CITIZENS COMMENTS:

17. REMARKS FROM COUNCIL:

18. ADJOURNMENT:

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures in order to participate in this program, service or activity please contact the office of the program, service or activity as soon as possible but no later than 24 hours before the scheduled event.

For assistance please contact the Clerk to Council at 864-260-1036.

ORDINANCE NO. 2019-059

AN ORDINANCE TO AMEND AN AGREEMENT FOR THE DEVELOPMENT OF A JOINT COUNTY INDUSTRIAL AND BUSINESS PARK (2010 PARK) OF ANDERSON AND GREENVILLE COUNTIES SO AS TO ENLARGE THE PARK (PROJECT: CHENEY MILL/ CHENEY MILL OWNER LLC).

WHEREAS, pursuant to Ordinance No. 2010-026 enacted October 19, 2019, by Anderson County Council, Anderson County entered into an Agreement for the Development of a Joint County Industrial and Business Park (2010 Park) dated as of December 1, 2010, as amended, with Greenville County ("Agreement").

WHEREAS, pursuant to Section 3(A) of the Agreement, the boundaries of the park created as a result of the Agreement ("Park") may be enlarged pursuant to ordinances of the County Councils of Anderson County and Greenville County.

WHEREAS, in connection with certain incentives being offered by Anderson County, it is now desired that the boundaries of the Park be enlarged to include parcels in Anderson County.

NOW, THEREFORE, BE IT ORDAINED BY Anderson County Council that Exhibit A to the Agreement is and shall be amended and revised to include property located in the Town of Pendleton, Anderson County described in the schedule attached to the Ordinance, and, pursuant to Section 3(B) of the Agreement, at and after adoption by Greenville County of a correspondent ordinance, the Agreement shall be deemed amended to so include the property in Exhibit A as so revised, without further action by either county.

DONE in meeting duly assembled this 6th day of October, 2020.

(SEAL)

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

First Reading: December 3, 2019
Second Reading: December 17, 2019
Third Reading: October 6, 2020
Public Hearing: October 6, 2020

Leon C. Harmon
Anderson County Attorney

EXHIBIT A

250 South Depot Street
Pendleton, South Carolina
Anderson County

TMS No. 040-14-02-021-000

ORDINANCE NO. 2020-017

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BY AND BETWEEN ANDERSON COUNTY, SOUTH CAROLINA AND PRTR, LLC WITH RESPECT TO CERTAIN ECONOMIC DEVELOPMENT PROPERTY IN THE COUNTY, WHEREBY SUCH PROPERTY WILL BE SUBJECT TO CERTAIN PAYMENTS IN LIEU OF TAXES, INCLUDING THE PROVISION OF CERTAIN SPECIAL SOURCE REVENUE CREDITS; AND OTHER MATTERS RELATED THERETO.

WHEREAS, ANDERSON COUNTY, SOUTH CAROLINA (the "*County*"), acting by and through its County Council (the "*County Council*"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "*FILOT Act*"), Title 4, Chapter 1 (the "*Multi-County Park Act*"), and Title 4, Chapter 29, of the Code of Laws of South Carolina 1976, as amended, to enter into agreements with industry whereby the industry would pay fees-in-lieu-of taxes with respect to qualified industrial projects; to provide infrastructure credits against payment in lieu of taxes for reimbursement in respect of investment in certain infrastructure enhancing the economic development of the County; through all such powers the industrial development of the State of South Carolina (the "*State*") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain in the State and thus utilize and employ the manpower, products and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, pursuant to the FILOT Act, and in order to induce investment in the County, the County Council adopted on May 13, 2020 an inducement resolution (the "*Inducement Resolution*") with respect to certain proposed investment by PRTR, LLC, a South Carolina limited liability company (the "*Company*") (which was known to the County at the time as "*Project Westwind*"), with respect to the acquisition, construction, and installation of buildings, improvements, fixtures, machinery, equipment, furnishings and other real and/or tangible personal property to constitute a new manufacturing/distribution facility in the County (collectively, the "*Project*"); and

WHEREAS, the Company has represented that the Project will involve an investment of approximately \$2,800,000 in the County within the Standard Investment Period (as such term is defined in the hereinafter defined Fee Agreement); and

WHEREAS, the County has determined on the basis of the information supplied to it by the Company that the Project would be a "project" and "economic development property" as such terms are defined in the FILOT Act, and that the Project would serve the purposes of the FILOT Act; and

WHEREAS, pursuant to the authority of Section 4-1-170 of the Multi-County Park Act and Article VIII, Section 13 of the South Carolina Constitution, the County intends to cause the Project, to the extent not already therein located, to be placed in a joint county industrial and business park such that the Project will receive the benefits of the Multi-County Park Act; and

WHEREAS, pursuant to the Inducement Resolution, the County has agreed to, among other things, (a) enter into a Fee in Lieu of Tax and Special Source Revenue Credit Agreement with the Company (the "*Fee Agreement*"), whereby the County would provide therein for a payment of a fee-in-lieu-of taxes by the Company with respect to the Project, and (b) provide for certain infrastructure credits to be claimed by the Company against its payments of fees-in-lieu-of taxes with respect to the Project pursuant to Section 4-1-175 of the Multi-County Park Act; and

WHEREAS, the County Council has caused to be prepared and presented to this meeting the form

of the Fee Agreement which the County proposes to execute and deliver; and

WHEREAS, it appears that the documents above referred to, which are now before this meeting, are in appropriate form and are an appropriate instrument to be executed and delivered or approved by the County for the purposes intended;

NOW, THEREFORE, BE IT ORDAINED, by the County Council as follows:

Section 1. Based on information supplied by the Company, it is hereby found, determined and declared by the County Council, as follows:

(a) The Project will constitute a “project” and “economic development property” as said terms are referred to and defined in the FILOT Act, and the County’s actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the FILOT Act;

(b) The Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally;

(c) The Project will give rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either;

(d) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs and addition to the tax base of the County, are proper governmental and public purposes; and

(e) The benefits of the Project are anticipated to be greater than the costs.

Section 2. The form, terms and provisions of the Fee Agreement presented to this meeting are hereby approved and all of the terms and provisions thereof are hereby incorporated herein by reference as if the Fee Agreement was set out in this Ordinance in its entirety. The Chairman of County Council is hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name of and on behalf of the County, and the Clerk to County Council is hereby authorized and directed to attest the same, and thereupon to cause the Fee Agreement to be delivered to the Company and cause a copy of the same to be delivered to the Anderson County Auditor, Assessor and Treasurer. The Fee Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall be approved by the Chairman of County Council, upon advice of counsel, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.

Section 3. The Chairman of County Council, the County Administrator and the Clerk to County Council, for and on behalf of the County, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County thereunder.

Section 4. The provisions of this ordinance are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 5. All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This ordinance shall take effect and be in full force from and after its passage by the County Council.

ENACTED in meeting duly assembled this 6th day of October, 2020.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon Harmon
Anderson County Attorney

First Reading: June 23, 2020
Second Reading: July 7, 2020
Third Reading: October 6, 2020
Public Hearing: October 6, 2020

STATE OF SOUTH CAROLINA

COUNTY OF ANDERSON

I, the undersigned Clerk to County Council of Anderson County, South Carolina, do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given reading, and received unanimous approval, by the County Council at its meetings of June 23, 2020, July 7, 2020, and October 6, 2020, at which meetings a quorum of members of County Council were present and voted, and an original of which ordinance is filed in the permanent records of the County Council.

Lacey Croegaert
Anderson County Clerk to Council

Dated: _____, 2020

**FEE IN LIEU OF TAX AND
SPECIAL SOURCE REVENUE CREDIT AGREEMENT**

Between

ANDERSON COUNTY, SOUTH CAROLINA

and

PRTR, LLC

Dated as of October 6, 2020

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SUMMARY OF CONTENTS OF FEE IN LIEU OF TAX AGREEMENT

As permitted under Section 12-44-55(B), Code of Laws of South Carolina 1976, as amended (the "Code"), the parties have agreed to waive the requirements of Section 12-44-55 of the Code. The following is a summary of the key provisions of this Fee in Lieu of Tax and Special Source Revenue Credit Agreement. This summary is inserted for convenience only and does not constitute a part of this Fee in Lieu of Tax and Special Source Revenue Credit Agreement or a summary compliant with Section 12-44-55 of the Code.

Company Name:	PRTR, LLC	Project Name:	Project Westwind
Projected Investment:	\$2,800,000	Projected Jobs:	N/A
Location (street):	5700 Airport Road, Anderson, SC 29626	Tax Map No.:	970004019
1. FILOT			
Required Investment:	\$2,800,000	Required Jobs:	N/A
Investment Period:	5 years with a 5 year extension if Required Investment is met.	Ordinance No./Date:	
Assessment Ratio:	6%	Term (years):	30
Fixed Millage:	0.3205	Net Present Value (if yes, discount rate):	
Clawback information:	If the FILOT Act Minimum Investment Requirement is not made during the Standard Investment Period, the FILOT is terminated retroactively		
2. MCIP			
Included in an MCIP:	Yes		
If yes, Name & Date:	Anderson County/Greenville County Park dated July 15, 2014		
3. SSRC			
No. of Years	20 years		
Yearly Increments:	90% years 1 – 5; 60% years 6 – 10; 50% years 11-20		
Clawback information:			
4. Other information	In the event \$2,800,000 has been invested within the Standard Investment Period, the Standard Investment Period shall be extended an additional 5 years.		

FEE IN LIEU OF TAX AGREEMENT

THIS FEE IN LIEU OF TAX AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT (the "**Fee Agreement**") is made and entered into as of _____, 2020 by and between **ANDERSON COUNTY, SOUTH CAROLINA** (the "**County**"), a body politic and corporate and a political subdivision of the State of South Carolina (the "**State**"), acting by and through the Anderson County Council (the "**County Council**") as the governing body of the County, and **PRTR, LLC** a limited liability company organized and existing under the laws of the State of South Carolina (the "**Company**").

RECITALS

1. Title 12, Chapter 44 (the "**FILOT Act**"), Code of Laws of South Carolina, 1976, as amended (the "**Code**"), authorizes the County to (a) induce industries to locate in the State; (b) encourage industries now located in the State to expand their investments and thus make use of and employ manpower, products, and other resources of the State; and (c) enter into a fee agreement with entities meeting the requirements of the FILOT Act, which identifies certain property of such entities as economic development property and provides for the payment of a fee in lieu of tax with respect to such property.

2. Sections 4-1-17 and 12-44-70 of the Code authorize the County to provide special source revenue credit ("**Special Source Revenue Credit**") financing secured by and payable solely from revenues of the County derived from payments in lieu of taxes for the purposes set forth in Section 4-29-68 of the Code, namely: the defraying of the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County and for improved and unimproved real estate, and personal property, including but not limited to machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County (collectively, "**Infrastructure**").

3. The Company (as a Sponsor, within the meaning of the FILOT Act) desires to provide for the acquisition and construction of the Project (as defined herein) to constitute a manufacturing and/or distribution facility in the County.

4. Based on information supplied by the Company, the County Council has evaluated the Project based on relevant criteria that include, but are not limited to, the purposes the Project is to accomplish, the anticipated dollar amount and nature of the investment, employment to be created or maintained, and the anticipated costs and benefits to the County. Pursuant to Section 12-44-40(H)(1) of the FILOT Act, the County finds that: (a) the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; (b) the Project will give rise to no pecuniary liability of the County or any incorporated municipality therein and to no charge against their general credit or taxing powers; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the benefits of the Project are greater than the costs.

5. In accordance with such findings and determinations and in order to induce the Company to locate the Project in the County, the County Council adopted a Resolution on May 13, 2020 (the "**Inducement Resolution**"), whereby the County agreed to provide the benefits of a FILOT, MCIP, and Special Source Revenue Credits with respect to the Project, the terms of all of which are set forth in greater detail in this Fee Agreement.

6. The Project is located, or if not so located as of the date of this Fee Agreement the County intends to use its best efforts to so locate the Project, in a joint county industrial or business park created with an adjoining county in the State pursuant to agreement entered into pursuant to Section 4-1-170 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution.

7. By enactment of an Ordinance on October 6, 2020, the County Council has authorized the County to enter into this Fee Agreement with the Company which classifies the Project as Economic Development Property under the FILOT Act and provides for the payment of fees in lieu of taxes and the provision of Special Source Revenue Credits to reimburse the Company for payment of the cost of certain Infrastructure in connection with the Project, all as further described herein.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions

The terms that this Article defines shall for all purposes of this Fee Agreement have the meanings herein specified, unless the context clearly requires otherwise:

“Administration Expenses” shall mean the reasonable and necessary expenses incurred by the County with respect to this Fee Agreement, including without limitation reasonable attorney fees; provided, however, that no such expense shall be considered an Administration Expense until the County has furnished to the Company a statement in writing indicating the amount of such expense and the reason it has been or will be incurred.

“Affiliate” shall mean any corporation, limited liability company, partnership or other entity which owns all or part of the Company (or with respect to a Sponsor Affiliate, such Sponsor Affiliate) or which is owned in whole or in part by the Company (or with respect to a Sponsor Affiliate, such Sponsor Affiliate) or by any member, partner, shareholder or owner of the Company (or with respect to a Sponsor Affiliate, such Sponsor Affiliate), as well as any subsidiary, affiliate, individual or entity who bears a relationship to the Company (or with respect to a Sponsor Affiliate, such Sponsor Affiliate), as described in Section 267(b) of the Internal Revenue Code of 1986, as amended.

“Code” shall mean the Code of Laws of South Carolina 1976, as amended.

“Commencement Date” shall mean the last day of the property tax year during which the Project or the first Phase thereof is placed in service, which date shall not be later than the last day of the property tax year which is three (3) years from the year in which the County and the Company enter into this Fee Agreement.

“Company” shall mean PRTR, LLC, a South Carolina limited liability company, and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets; or any other person or entity which may succeed to the rights and duties of the Company.

“Condemnation Event” shall mean any act of taking by a public or quasi-public authority through condemnation, reverse condemnation or eminent domain.

“Contract Minimum Investment Requirement” shall mean, with respect to the Project, investment by the Company and any Sponsor Affiliates of at least \$2,800,000 in Economic Development Property subject (non-exempt) to *ad valorem* taxation (in the absence of this Fee Agreement) from the first day that Project property comprising all or a portion of the Project is purchased or acquired, whether before or after the date of this Agreement, and ending at the end of the Investment Period.

“County” shall mean Anderson County, South Carolina, a body politic and corporate and a political subdivision of the State, its successors and assigns, acting by and through the County Council as the governing body of the County.

“County Administrator” shall mean the Anderson County Administrator, or the person holding any successor office of the County.

“County Assessor” shall mean the Anderson County Assessor, or the person holding any successor office of the County.

“County Auditor” shall mean the Anderson County Auditor, or the person holding any successor office of the County.

“County Council” shall mean Anderson County Council, the governing body of the County.

“County Treasurer” shall mean the Anderson County Treasurer, or the person holding any successor office of the County.

“Defaulting Entity” shall have the meaning set forth for such term in Section 6.02(a) hereof.

“Deficiency Amount” shall have the meaning set forth for such term in Section 4.03(a) hereof.

“Department” shall mean the South Carolina Department of Revenue.

“Diminution in Value” in respect of the Project shall mean any reduction in the value, using the original fair market value (without regard to depreciation) as determined in Step 1 of Section 4.01 of this Fee Agreement, of the items which constitute a part of the Project and which are subject to FILOT payments which may be caused by the Company’s or any Sponsor Affiliate’s removal and/or disposal of equipment pursuant to Section 4.04 hereof, or by its election to remove components of the Project as a result of any damage or destruction or any Condemnation Event with respect thereto.

“Economic Development Property” shall mean those items of real and tangible personal property of the Project which are eligible for inclusion as economic development property under the FILOT Act, selected and identified by the Company or any Sponsor Affiliate in its annual filing of a SCDOR PT-300S or comparable form with the Department (as such filing may be amended from time to time) for each year within the Investment Period.

“Equipment” shall mean machinery, equipment, furniture, office equipment, and other tangible personal property, together with any and all additions, accessions, replacements, and substitutions thereto or therefor.

“Event of Default” shall mean any event of default specified in Section 6.01 hereof.

“Exemption Period” shall mean the period beginning on the first day of the property tax year after the property tax year in which an applicable portion of Economic Development Property is placed in service and ending on the Termination Date. In case there are Phases of the Project, the Exemption Period applies to each year’s investment made during the Investment Period.

“Extended Investment Period” shall mean the period ending five (5) years after the end of the Standard Investment Period.

“Fee Agreement” shall mean this Fee in Lieu of Tax and Special Source Revenue Credit Agreement.

“FILOT” or **“FILOT Payments”** shall mean the amount paid or to be paid in lieu of *ad valorem* property taxes as provided herein.

“FILOT Act” shall mean Title 12, Chapter 44, of the Code, and all future acts successor or supplemental thereto or amendatory thereof.

“FILOT Act Minimum Investment Requirement” shall mean, with respect to the Project, an investment of at least \$2,500,000 by the Company, or of at least \$5,000,000 by the Company and any Sponsor Affiliates in the aggregate, in Economic Development Property.

“Improvements” shall mean improvements to the Land, including buildings, building additions, roads, sewer lines, and infrastructure, together with any and all additions, fixtures, accessions, replacements, and substitutions thereto or therefor.

“Infrastructure” shall mean infrastructure serving the County and improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of the Project, within the meaning of Section 4-29-68 of the Code.

“Investment Period” shall mean, and shall be equal to, the Standard Investment Period plus the Extended Investment Period, if applicable.

“Land” means the land upon which the Project will be located, as described in Exhibit A attached hereto, as Exhibit A may be supplemented from time to time in accordance with Section 3.01(c) hereof.

“MCIP Act” shall mean Title 4, Chapter 1, of the Code, and all future acts successor or supplemental thereto or amendatory thereof.

“MCIP Agreement” shall mean the Agreement for the Development of a Joint County Industrial and Business Park dated as of July 15, 2014, between the County and Greenville County, South Carolina, as the same may be amended or supplemented from time to time, or such other agreement as the County may enter with respect to the Project to offer the benefits of the Special Source Revenue Credits to the Company hereunder.

“MCIP” shall mean (i) the joint county industrial park established pursuant to the terms of the MCIP Agreement and (ii) any joint county industrial park created pursuant to a successor park agreement delivered by the County and a partner county in accordance with Section 4-1-170 of the MCIP Act, or any successor provision, with respect to the Project.

“Phase” or **“Phases”** in respect of the Project shall mean that the components of the Project are placed in service during more than one year during the Investment Period, and the word “Phase” shall therefore refer to the applicable portion of the Project placed in service in a given year during the Investment Period.

“Project” shall mean all the Equipment and Improvements that the Company determines to be necessary, suitable or useful for the purposes described in Section 2.02(b) hereof, to the extent determined by the Company and any Sponsor Affiliate to be a part of the Project and placed in service during the Investment Period, and any Replacement Property. Notwithstanding anything in this Fee Agreement to the contrary, the Project shall not include property which will not qualify for the FILOT pursuant to Section

12-44-110 of the FILOT Act, including without limitation property which has been subject to *ad valorem* taxation in the State prior to commencement of the Investment Period; provided, however, the Project may include (a) modifications which constitute an expansion of the real property portion of the Project and (b) the property allowed pursuant to Section 12-44-110(2) of the FILOT Act.

“Removed Components” shall mean components of the Project or portions thereof which the Company or any Sponsor Affiliate in its sole discretion, elects to remove from the Project pursuant to Section 4.04 hereof or as a result of any Condemnation Event.

“Replacement Property” shall mean any property which is placed in service as a replacement for any item of Equipment or any Improvement previously subject to this Fee Agreement regardless of whether such property serves the same functions as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment or any Improvement to the fullest extent that the FILOT Act permits.

“Special Source Revenue Credits” shall mean the annual special source revenue credits provided to the Company pursuant to Section 4.02 hereof.

“Sponsor Affiliate” shall mean an entity that joins with the Company and that participates in the investment in, or financing of, the Project and which meets the requirements under the FILOT Act to be entitled to the benefits of this Fee Agreement with respect to its participation in the Project, all as set forth in Section 5.13 hereof.

“Standard Investment Period” shall mean the period beginning with the first day of any purchase or acquisition of Economic Development Property and ending five (5) years after the Commencement Date.

“State” shall mean the State of South Carolina.

“Termination Date” shall mean, with respect to each Phase of the Project, the end of the last day of the property tax year which is the 29th year following the first property tax year in which such Phase of the Project is placed in service; provided, that the intention of the parties is that the Company will make at least 30 annual FILOT payments under Article IV hereof with respect to each Phase of the Project; and provided further, that if this Fee Agreement is terminated earlier in accordance with the terms hereof, the Termination Date shall mean the date of such termination.

“Transfer Provisions” shall mean the provisions of Section 12-44-120 of the FILOT Act, as amended or supplemented from time to time, concerning, among other things, the necessity of obtaining County consent to certain transfers.

Any reference to any agreement or document in this Article I or otherwise in this Fee Agreement shall include any and all amendments, supplements, addenda, and modifications to such agreement or document.

Section 1.02 Project-Related Investments

The term “investment” or “invest” as used herein shall include not only investments made by the Company and any Sponsor Affiliates, but also to the fullest extent permitted by law, those investments made by or for the benefit of the Company or any Sponsor Affiliate with respect to the Project through federal, state, or local grants, to the extent such investments are subject to *ad valorem* taxes or FILOT payments by the Company.

[End of Article I]

REPRESENTATIONS, WARRANTIES, AND AGREEMENTS

Section 2.01 Representations, Warranties, and Agreements of the County

The County hereby represents, warrants, and agrees as follows:

(a) The County is a body politic and corporate and a political subdivision of the State and acts through the County Council as its governing body. The County has duly authorized the execution and delivery of this Fee Agreement and any and all other agreements described herein or therein **and** has obtained all consents from third parties and taken all actions necessary or that the law requires to fulfill its obligations hereunder.

(b) Based upon representations by the Company, the Project constitutes a “project” within the meaning of the FILOT Act.

(c) The County has agreed that each item of real and tangible personal property comprising the Project which is eligible to be economic development property under the FILOT Act and that the Company selects shall be considered Economic Development Property and is thereby exempt from *ad valorem* taxation in the State.

(d) The millage rate set forth in Step 3 of Section 4.01(a) hereof is 0.3205 mills, which is the millage rate in effect with respect to the location of the proposed Project as of June 30, 2020, as permitted under Section 12-44-50(A)(1)(d) of the FILOT Act.

(e) The County will use its reasonable best efforts to cause the Project to be located in a MCIP for a term extending at least until the end of the period of FILOT Payments against which a Special Source Revenue Credit is to be provided under this Fee Agreement.

Section 2.02 Representations, Warranties, and Agreements of the Company

The Company hereby represents, warrants, and agrees as follows:

(a) The Company is organized and in good standing under the laws of the State of South Carolina, is duly authorized to transact business in the State, has power to enter into this Fee Agreement, and has duly authorized the execution and delivery of this Fee Agreement.

(b) The Company intends to operate the Project as a “project” within the meaning of the FILOT Act as in effect on the date hereof. The Company intends to operate the Project for the purpose of a manufacturing and/or distribution facility, and for such other purposes that the FILOT Act permits as the Company may deem appropriate.

(c) The execution and delivery of this Fee Agreement by the County has been instrumental in inducing the Company to locate the Project in the County.

(d) The Company, together with any Sponsor Affiliates, will use commercially reasonable efforts to meet, or cause to be met, the Contract Minimum Investment Requirement within the Standard Investment Period.

[End of Article II]

COMMENCEMENT AND COMPLETION OF THE PROJECT

Section 3.01 The Project

(a) The Company intends and expects, together with any Sponsor Affiliate, to (i) construct and acquire the Project, and (ii) meet the Contract Minimum Investment Requirement within the Standard Investment Period. The Company anticipates that the first Phase of the Project will be placed in service during the calendar year ending December 31, 2021. In the event that the Contract Minimum Investment Requirement has been met within the Standard Investment Period, the Investment Period shall be extended to include the Extended Investment Period.

(b) Pursuant to the FILOT Act and subject to Section 4.03 hereof, the Company and the County hereby agree that the Company and any Sponsor Affiliates shall identify annually those assets which are eligible for FILOT payments under the FILOT Act and which the Company or any Sponsor Affiliate selects for such treatment by listing such assets in its annual PT-300S form (or comparable form) to be filed with the Department (as such may be amended from time to time) and that by listing such assets, such assets shall automatically become Economic Development Property and therefore be exempt from all *ad valorem* taxation during the Exemption Period. Anything contained in this Fee Agreement to the contrary notwithstanding, the Company and any Sponsor Affiliates shall not be obligated to complete the acquisition of the Project. However, if the Company, together with any Sponsor Affiliates, does not meet the Contract Minimum Investment Requirement within the Standard Investment Period, the provisions of Section 4.03 hereof shall control.

(c) The Company may add to the Land such real property, located in the same taxing District in the County as the original Land, as the Company, in its discretion, deems useful or desirable. In such event, the Company, at its expense, shall deliver an appropriately revised Exhibit A to this Fee Agreement, in form reasonably acceptable to the County.

Section 3.02 Diligent Completion

The Company agrees to use its reasonable efforts to cause the completion of the Project as soon as practicable, but in any event on or prior to the end of the Standard Investment Period.

Section 3.03 Filings and Reports

(a) Each year during the term of the Fee Agreement, the Company and any Sponsor Affiliates shall deliver to the County, the County Auditor, the County Assessor and the County Treasurer a copy of their most recent annual filings with the Department with respect to the Project, not later than thirty (30) days following delivery thereof to the Department.

(b) The Company shall cause a copy of this Fee Agreement, as well as a copy of the completed Form PT-443 of the Department, to be filed with the County Auditor and the County Assessor, and to their counterparts in the partner county to the MCIP Agreement, the County Administrator and the Department within thirty (30) days after the date of execution and delivery of this Fee Agreement by all parties hereto.

(c) Each of the Company and any Sponsor Affiliates agree to maintain complete books and records accounting for the acquisition, financing, construction, and operation of the Project. Such books and records shall (i) permit ready identification of the various Phases and components thereof; (ii) confirm the dates on which each Phase was placed in service; and (iii) include copies of all filings made by the

Company and any such Sponsor Affiliates in accordance with Section 3.03(a) or (b) above with respect to property placed in service as part of the Project.

[End of Article III]

FILOT PAYMENTS

Section 4.01 FILOT Payments

(a) Pursuant to Section 12-44-50 of the FILOT Act, the Company and any Sponsor Affiliates, as applicable, are required to make payments in lieu of *ad valorem* taxes to the County with respect to the Economic Development Property. Inasmuch as the Company anticipates an initial investment of sums sufficient for the Project to qualify for a fee in lieu of tax arrangement under Section 12-44-50(A)(1) of the FILOT Act, the County and the Company have negotiated the amount of the FILOT Payments in accordance therewith. The Company and any Sponsor Affiliates, as applicable, shall make payments in lieu of *ad valorem* taxes on all Economic Development Property which comprises the Project and is placed in service, as follows: the Company and any Sponsor Affiliates, as applicable, shall make payments in lieu of *ad valorem* taxes during the Exemption Period with respect to the Economic Development Property or, if there are Phases of the Economic Development Property, with respect to each Phase of the Economic Development Property, said payments to be made annually and to be due and payable and subject to penalty assessments on the same dates and in the same manner as prescribed by the County for *ad valorem* taxes. The determination of the amount of such annual FILOT Payments shall be in accordance with the following procedure (subject, in any event, to the procedures required by the FILOT Act):

Step 1: Determine the fair market value of the Economic Development Property (or Phase of the Economic Development Property) placed in service during the Exemption Period using original income tax basis for State income tax purposes for any real property and Improvements without regard to depreciation (provided, the fair market value of real property, as the FILOT Act defines such term, that the Company and any Sponsor Affiliates obtains by construction or purchase in an arms-length transaction is equal to the original income tax basis, and otherwise, the determination of the fair market value is by appraisal) and original income tax basis for State income tax purposes for any personal property less depreciation for each year allowable for property tax purposes, except that no extraordinary obsolescence shall be allowable. The fair market value of the real property for the first year of the Exemption Period remains the fair market value of the real property and Improvements for the life of the Exemption Period. The determination of these values shall take into account all applicable property tax exemptions that State law would allow to the Company and any Sponsor Affiliates if the property were taxable, except those exemptions that Section 12-44-50(A)(2) of the FILOT Act specifically disallows.

Step 2: Apply an assessment ratio of six percent (6%) to the fair market value in Step 1 to establish the taxable value of the Economic Development Property (or each Phase of the Economic Development Property) in the year it is placed in service and in each of the 29 years thereafter or such longer period of years in which the FILOT Act permits the Company and any Sponsor Affiliates to make annual FILOT payments.

Step 3: Use a millage rate of 0.3205 mills during the Exemption Period against the taxable value to determine the amount of the FILOT Payments due during the Exemption Period on the applicable payment dates.

(b) In the event that a final order of a court of competent jurisdiction from which no further appeal is allowable declares the FILOT Act and/or the herein-described FILOT Payments invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions to reform such payments so as to effectuate most closely the intent thereof (without increasing the amount of incentives being afforded herein) and so as to afford the Company and any Sponsor Affiliates with the benefits to be derived herefrom, the intention of the County being to offer the Company and such Sponsor Affiliates a strong inducement to locate the Project in the County. If the Economic Development Property is deemed to be subject to *ad valorem* taxation, this Fee Agreement shall terminate, and the Company and any Sponsor Affiliates shall pay the County regular *ad valorem* taxes from the date of termination, but with appropriate reductions equivalent to all tax exemptions which are afforded to the Company and such Sponsor Affiliates. Any amount determined to be due and owing to the County from the Company and such Sponsor Affiliates, with respect to a year or years for which the Company or such Sponsor Affiliates previously remitted FILOT Payments to the County hereunder, shall (i) take into account all applicable tax exemptions to which the Company or such Sponsor Affiliates would be entitled if the Economic Development Property was not and had not been Economic Development Property under the Act; and (ii) be reduced by the total amount of FILOT Payments the Company or such Sponsor Affiliates had made with respect to the Project pursuant to the terms hereof.

Section 4.02 Special Source Revenue Credits

(a) In accordance with and pursuant to Section 12-44-70 of the FILOT Act and Section 4-1-175 of the MCIP Act, in order to reimburse the Company for qualifying capital expenditures incurred for costs of the Infrastructure during the Investment Period, the Company shall be entitled to receive, and the County agrees to provide, annual Special Source Revenue Credits against the Company's FILOT Payments for a period of five (5) consecutive years in an amount equal to ninety percent (90%) of that portion of FILOT Payments payable by the Company with respect to the Project (that is, with respect to investment made by the Company in the Project during the Standard Investment Period), calculated and applied after payment of the amount due the non-host county under the MCIP Agreement; thereafter, for a period of five (5) consecutive years in an amount equal to sixty percent (60%) of that portion of FILOT Payments payable by the Company with respect to the Project (that is, with respect to investment made by the Company in the Project during the Investment Period), calculated and applied after payment of the amount due the non-host county under the MCIP Agreement; and thereafter, for a period of ten (10) consecutive years in an amount equal to fifty percent (50%) of that portion of FILOT Payments payable by the Company with respect to the Project (that is, with respect to investment made by the Company in the Project during the Investment Period), calculated and applied after payment of the amount due the non-host county under the MCIP Agreement.

(b) Notwithstanding anything herein to the contrary, under no circumstances shall the Company be entitled to claim or receive any abatement of *ad valorem* taxes for any portion of the investment in the Project for which a Special Source Revenue Credit is taken.

(c) In no event shall the aggregate amount of all Special Source Revenue Credits claimed by the Company exceed the amount expended with respect to the Infrastructure at any point in time. The Company shall be responsible for making written annual certification as to compliance with the provisions of the preceding sentence through the delivery of a certification in substantially the form attached hereto as Exhibit C.

(d) As provided in Section 4-29-68 of the Code, to the extent any Special Source Revenue Credit is taken against fee in lieu of tax payment on personal property, and the personal property is removed from the Project at any time during the term of this Agreement (and not replaced with qualifying replacement property), the amount of the fee in lieu of taxes due on the personal property for the year in which the personal property was removed from the Project shall be due for the two (2) years immediately following such removal.

(e) Each annual Special Source Revenue Credit shall be reflected by the County Auditor or other authorized County official or representative on each bill for FILOT Payments sent to the Company by the County for each applicable property tax year, by reducing such FILOT Payments otherwise due by the amount of the Special Source Revenue Credit to be provided to the Company for such property tax year.

(f) The Special Source Revenue Credits are payable solely from the FILOT Payments, are not secured by, or in any way entitled to, a pledge of the full faith, credit or taxing power of the County, are not an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation, are payable solely from a special source that does not include revenues from any tax or license, and are not a pecuniary liability of the County or a charge against the general credit or taxing power of the County.

Section 4.03 Failure to Achieve FILOT Act Minimum Investment Requirement

(a) In the event the Company, together with any Sponsor Affiliates, fails to meet the FILOT Act Minimum Investment Requirement by the end of the Standard Investment Period, this Fee Agreement shall terminate and the Company and such Sponsor Affiliates shall pay the County an amount which is equal to the excess, if any, of (i) the total amount of *ad valorem* taxes as would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the items of property comprising the Economic Development Property were not Economic Development Property, but with appropriate reductions equivalent to all tax exemptions and abatements to which the Company and such Sponsor Affiliates would be entitled in such a case, through and including the end of the Standard Investment Period, over (ii) the total amount of FILOT payments the Company and such Sponsor Affiliates have made with respect to the Economic Development Property (after taking into account any Special Source Revenue Credits received) (such excess, a “*Deficiency Amount*”) for the period through and including the end of the Standard Investment Period. Any amounts determined to be owing pursuant to the foregoing sentence shall be payable to the County on or before the one hundred twentieth (120th) day following the last day of the Standard Investment Period.

(b) As a condition to the FILOT benefit provided herein, the Company agrees to provide the County Administrator, the County Assessor, the County Auditor and the County Treasurer with an annual certification as to investment in the Project. Such certification shall be in substantially the form attached hereto as Exhibit B, and shall be due no later than the May 1 following the immediately preceding December 31 of each year during the Investment Period.

Section 4.04 Removal of Equipment

Subject, always, to the other terms and provisions of this Fee Agreement, the Company and any Sponsor Affiliates shall be entitled to remove and dispose of components of the Project from the Project in its sole discretion with the result that said components shall no longer be considered a part of the Project and, to the extent such constitute Economic Development Property, shall no longer be subject to the terms of this Fee Agreement. Economic Development Property is disposed of only when it is scrapped or sold or removed from the Project. If it is removed from the Project, it is subject to *ad valorem* property taxes to the extent the Property remains in the State and is otherwise subject to *ad valorem* property taxes.

Section 4.05 FILOT Payments on Replacement Property

If the Company or any Sponsor Affiliate elects to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Economic Development Property, or the Company or any Sponsor Affiliate otherwise utilizes Replacement Property, then, pursuant and subject to the provisions of Section 12-44-60 of the FILOT Act, the Company or such Sponsor Affiliate

shall make statutory payments in lieu of *ad valorem* taxes with regard to such Replacement Property in accordance with the following:

(i) Replacement Property does not have to serve the same function as the Economic Development Property it is replacing. Replacement Property is deemed to replace the oldest Economic Development Property subject to the Fee, whether real or personal, which is disposed of in the same property tax year in which the Replacement Property is placed in service. Replacement Property qualifies as Economic Development Property only to the extent of the original income tax basis of Economic Development Property which is being disposed of in the same property tax year. More than one piece of property can replace a single piece of Economic Development Property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to annual payments calculated as if the exemption for Economic Development Property were not allowable. Replacement Property is entitled to treatment under the Fee Agreement for the period of time remaining during the Exemption Period for the Economic Development Property which it is replacing; and

(ii) The new Replacement Property which qualifies for the FILOT shall be recorded using its income tax basis, and the calculation of the FILOT shall utilize the millage rate and assessment ratio in effect with regard to the original property subject to the FILOT.

Section 4.06 Reductions in Payment of Taxes Upon Diminution in Value; Investment Maintenance Requirement

In the event of a Diminution in Value of the Economic Development Property, the Payment in Lieu of Taxes with regard to the Economic Development Property shall be reduced in the same proportion as the amount of such Diminution in Value bears to the original fair market value of the Economic Development Property as determined pursuant to Step 1 of Section 4.01(a) hereof; *provided, however*, that if at any time subsequent to the end of the Investment Period, the total value of the Project remaining in the County based on the original income tax basis thereof (that is, without regard to depreciation), is less than the FILOT Act Minimum Investment Requirement, then beginning with the first payment thereafter due hereunder and continuing until the Termination Date, the Project shall no longer be entitled to the incentive provided in Section 4.01, and the Company and any Sponsor Affiliate shall therefore commence to pay regular *ad valorem* taxes thereon, calculated as set forth in Section 4.01(b) hereof.

[End of Article IV]

PARTICULAR COVENANTS AND AGREEMENTS

Section 5.01 Cessation of Operations

Notwithstanding any other provision of this Fee Agreement, each of the Company and any Sponsor Affiliates acknowledges and agrees that County's obligation to provide the FILOT incentive ends, and this Fee Agreement is terminated, if the Company ceases operations at the Project. For purposes of this Section, "ceases operations" means closure of the facility for a continuous period of twelve (12) months. The provisions of Section 4.03 hereof relating to retroactive payments shall apply, if applicable, if this Fee Agreement is terminated in accordance with this Section prior to the end of the Standard Investment Period. Each of the Company and any Sponsor Affiliates agrees that if this Fee Agreement is terminated pursuant to this subsection, that under no circumstance shall the County be required to refund or pay any monies to the Company or any Sponsor Affiliates.

Section 5.02 Rights to Inspect

The Company agrees that the County and its authorized agents shall have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project. The County and its authorized agents shall also be permitted, at all reasonable times and upon prior reasonable notice, to have access to examine and inspect the Company's South Carolina property tax returns, as filed. The aforesaid rights of examination and inspection shall be exercised only upon such reasonable and necessary terms and conditions as the Company shall prescribe, and shall be subject to the provisions of Section 5.03 hereof.

Section 5.03 Confidentiality

The County acknowledges and understands that the Company and any Sponsor Affiliates may utilize confidential and proprietary processes and materials, services, equipment, trade secrets, and techniques (herein "Confidential Information"). In this regard, the Company and any Sponsor Affiliates may clearly label any Confidential Information delivered to the County "Confidential Information." The County agrees that, except as required by law, neither the County nor any employee, agent, or contractor of the County shall disclose or otherwise divulge any such clearly labeled Confidential Information to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by law. Each of the Company and any Sponsor Affiliates acknowledge that the County is subject to the South Carolina Freedom of Information Act, and, as a result, must disclose certain documents and information on request, absent an exemption. In the event that the County is required to disclose any Confidential Information obtained from the Company or any Sponsor Affiliates to any third party, the County agrees to provide the Company and such Sponsor Affiliates with as much advance notice as is reasonably possible of such requirement before making such disclosure, and to cooperate reasonably with any attempts by the Company and such Sponsor Affiliates to obtain judicial or other relief from such disclosure requirement.

Section 5.04 Limitation of County's Liability

Anything herein to the contrary notwithstanding, any financial obligation the County may incur hereunder, including for the payment of money, shall not be deemed to constitute a pecuniary liability or a debt or general obligation of the County (it being intended herein that any obligations of the County with respect to the Special Source Revenue Credits shall be payable only from FILOT payments received from

or payable by the Company or any Sponsor Affiliates); provided, however, that nothing herein shall prevent the Company from enforcing its rights hereunder by suit for *mandamus* or specific performance.

Section 5.05 Mergers, Reorganizations and Equity Transfers

Each of the Company and any Sponsor Affiliates acknowledges that any mergers, reorganizations or consolidations of the Company and such Sponsor Affiliates may cause the Project to become ineligible for negotiated fees in lieu of taxes under the FILOT Act absent compliance by the Company and such Sponsor Affiliates with the Transfer Provisions; provided that, to the extent provided by Section 12-44-120 of the FILOT Act or any successor provision, any financing arrangements entered into by the Company or any Sponsor Affiliates with respect to the Project and any security interests granted by the Company or any Sponsor Affiliates in connection therewith shall not be construed as a transfer for purposes of the Transfer Provisions. Notwithstanding anything in this Fee Agreement to the contrary, it is not intended in this Fee Agreement that the County shall impose transfer restrictions with respect to the Company, any Sponsor Affiliates or the Project as are any more restrictive than the Transfer Provisions.

Section 5.06 Indemnification Covenants

(a) Notwithstanding any other provisions in this Fee Agreement or in any other agreements with the County, the Company agrees to indemnify, defend and save the County, its County Council members, elected officials, officers, employees, servants and agents (collectively, the “Indemnified Parties”) harmless against and from all claims by or on behalf of any person, firm or corporation arising from the conduct or management of, or from any work or thing done on the Project or the Land by the Company or any Sponsor Affiliate, their members, officers, shareholders, employees, servants, contractors, and agents during the Term, and, the Company further, shall indemnify, defend and save the Indemnified Parties harmless against and from all claims arising during the Term from (i) entering into and performing its obligations under this Fee Agreement, (ii) any condition of the Project, (iii) any breach or default on the part of the Company or any Sponsor Affiliate in the performance of any of its obligations under this Fee Agreement, (iv) any act of negligence of the Company or any Sponsor Affiliate or its agents, contractors, servants, employees or licensees, (v) any act of negligence of any assignee or lessee of the Company or any Sponsor Affiliate, or of any agents, contractors, servants, employees or licensees of any assignee or lessee of the Company or any Sponsor Affiliate, or (vi) any environmental violation, condition, or effect with respect to the Project. The Company shall indemnify, defend and save the County harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon, and upon notice from the County, the Company shall defend it in any such action, prosecution or proceeding with legal counsel acceptable to the County (the approval of which shall not be unreasonably withheld).

(b) Notwithstanding the fact that it is the intention of the parties that the Indemnified Parties shall not incur pecuniary liability by reason of the terms of this Fee Agreement, or the undertakings required of the County hereunder, by reason of the granting of the FILOT, by reason of the execution of this Fee Agreement, by the reason of the performance of any act requested of it by the Company or any Sponsor Affiliate, or by reason of the County’s relationship to the Project or by the operation of the Project by the Company or any Sponsor Affiliate, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if the County or any of the other Indemnified Parties should incur any such pecuniary liability, then in such event the Company shall indemnify, defend and hold them harmless against all claims by or on behalf of any person, firm or corporation, arising out of the same, and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice, the Company shall defend them in any such action or proceeding with legal counsel acceptable to the County (the approval of which shall not be unreasonably withheld); provided, however, that such indemnity shall not apply to the extent

that any such claim is attributable to (i) the grossly negligent acts or omissions or willful misconduct of the County, its agents, officers or employees, or (ii) any breach of this Fee Agreement by the County.

(c) Notwithstanding anything in this Fee Agreement to the contrary, the above-referenced covenants insofar as they pertain to costs, damages, liabilities or claims by any Indemnified Party resulting from any of the above-described acts of or failure to act by the Company or any Sponsor Affiliate, shall survive any termination of this Fee Agreement.

Section 5.07 Qualification in State

Each of the Company and any Sponsor Affiliates warrant that it is duly qualified to do business in the State, and covenants that it will continue to be so qualified so long as it operates any portion of the Project.

Section 5.08 No Liability of County's Personnel

All covenants, stipulations, promises, agreements and obligations of the County contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the County and shall be binding upon any member of the County Council or any elected official, officer, agent, servant or employee of the County only in his or her official capacity and not in his or her individual capacity, and no recourse shall be had for the payment of any moneys hereunder against any member of the governing body of the County or any elected official, officer, agent, servants or employee of the County and no recourse shall be had against any member of the County Council or any elected official, officer, agent, servant or employee of the County for the performance of any of the covenants and agreements of the County herein contained or for any claims based thereon except solely in their official capacity.

Section 5.09 Assignment, Leases or Transfers

The County agrees that the Company and any Sponsor Affiliates may at any time (a) transfer all or any of their rights and interests under this Fee Agreement or with respect to all or any part of the Project, or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing or other entity with respect to this Fee Agreement or all or any part of the Project, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such portion of the Project, whereby the transferee in any such arrangement leases the portion of the Project in question to the Company or any Sponsor Affiliate or operates such assets for the Company or any Sponsor Affiliate or is leasing the portion of the Project in question from the Company or any Sponsor Affiliate. In order to preserve the FILOT benefit afforded hereunder with respect to any portion of the Project so transferred, leased, financed, or otherwise affected: (i) except in connection with any transfer to an Affiliate of the Company or of any Sponsor Affiliate, or transfers, leases, or financing arrangements pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company and any Sponsor Affiliates, as applicable, shall obtain the prior consent or subsequent ratification of the County which consent or subsequent ratification may be granted by the County in its sole discretion; (ii) except when a financing entity which is the income tax owner of all or part of the Project is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company or any Sponsor Affiliate, as the case may be, hereunder, or when the County consents in writing, no such transfer shall affect or reduce any of the obligations of the Company and any Sponsor Affiliates hereunder; (iii) to the extent the transferee or financing entity shall become obligated to make FILOT Payments hereunder, the transferee shall assume the then current basis of, as the case may be, the Company or any Sponsor Affiliates (or prior transferee) in the portion of the Project transferred; (iv) the Company or applicable Sponsor Affiliate,

transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department a true and complete copy of any such transfer agreement; and (v) the Company, the Sponsor Affiliates and the transferee shall comply with all other requirements of the Transfer Provisions.

Subject to County consent when required under this Section, and at the expense of the Company or any Sponsor Affiliate, as the case may be, the County agrees to take such further action or execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or such Sponsor Affiliate under this Fee Agreement and/or any release of the Company or such Sponsor Affiliate pursuant to this Section.

Each of the Company and any Sponsor Affiliates acknowledges that such a transfer of an interest under this Fee Agreement or in the Project may cause all or part of the Project to become ineligible for the FILOT benefit afforded hereunder or result in penalties under the FILOT Act absent compliance by the Company and any Sponsor Affiliates with the Transfer Provisions.

Section 5.10 Administration Expenses

The Company agrees to pay any Administration Expenses to the County when and as they shall become due, but in no event later than the date which is the earlier of any payment date expressly provided for in this Fee Agreement or the date which is forty-five (45) days after receiving written notice from the County, accompanied by such supporting documentation as may be necessary to evidence the County's or Indemnified Party's right to receive such payment, specifying the nature of such expense and requesting payment of same.

Section 5.11 Priority Lien Status

The County's right to receive FILOT payments hereunder shall have a first priority lien status pursuant to Sections 12-44-90(E) and (F) of the FILOT Act and Chapters 4, 49, 51, 53, and 54 of Title 12 of the Code.

Section 5.12 Interest; Penalties

In the event the Company or any Sponsor Affiliate should fail to make any of the payments to the County required under this Fee Agreement, then the item or installment so in default shall continue as an obligation of the Company or such Sponsor Affiliate until the Company or such Sponsor Affiliate shall have fully paid the amount, and the Company and any Sponsor Affiliates agree, as applicable, to pay the same with interest thereon at a rate, unless expressly provided otherwise herein and in the case of FILOT payments, of 5% per annum, compounded monthly, to accrue from the date on which the payment was due and, in the case of FILOT payments, at the rate for non-payment of *ad valorem* taxes under State law and subject to the penalties the law provides until payment.

Section 5.13 Sponsor Affiliates

The Company may designate from time to time any Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(20) and 12-44-130 of the FILOT Act, which Sponsor Affiliates shall join with the Company and make investments with respect to the Project, or participate in the financing of such investments, and shall agree to be bound by the terms and provisions of this Fee Agreement pursuant to the terms of a written joinder agreement with the County and the Company, in form reasonably acceptable to the County. The Company shall provide the County and the Department with written notice of any Sponsor Affiliate designated pursuant to this Section within ninety (90) days after the end of the calendar year during

which any such Sponsor Affiliate has placed in service any portion of the Project, in accordance with Section 12-44-130(B) of the FILOT Act.

[End of Article V]

DEFAULT

Section 6.01 Events of Default

The following shall be “Events of Default” under this Fee Agreement, and the term “Event of Default” shall mean, whenever used with reference to this Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Company or any Sponsor Affiliate to make the FILOT Payments described in Section 4.01 hereof, or any other amounts payable to the County under this Fee Agreement when due, which failure shall not have been cured within thirty (30) days following receipt of written notice thereof from the County; provided, however, that the Company and any Sponsor Affiliates shall be entitled to all redemption rights granted by applicable statutes; or

(b) A representation or warranty made by the Company or any Sponsor Affiliate hereunder which is deemed materially incorrect when deemed made; or

(c) Failure by the Company or any Sponsor Affiliate to perform any of the terms, conditions, obligations, or covenants hereunder (other than those under (a) above), which failure shall continue for a period of thirty (30) days after written notice from the County to the Company and such Sponsor Affiliate specifying such failure and requesting that it be remedied, unless the Company or such Sponsor Affiliate shall have instituted corrective action within such time period and is diligently pursuing such action until the default is corrected, in which case the 30-day period shall be extended to cover such additional period during which the Company or such Sponsor Affiliate is diligently pursuing corrective action; or

(d) Failure by the County to perform any of the terms, conditions, obligations, or covenants hereunder, which failure shall continue for a period of thirty (30) days after written notice from the Company to the County and any Sponsor Affiliates specifying such failure and requesting that it be remedied, unless the County shall have instituted corrective action within such time period and is diligently pursuing such action until the default is corrected, in which case the 30-day period shall be extended to cover such additional period during which the County is diligently pursuing corrective action.

Section 6.02 Remedies Upon Default

(a) Whenever any Event of Default by the Company or any Sponsor Affiliate (the “*Defaulting Entity*”) shall have occurred and shall be continuing, subject to any applicable cure period, the County may take any one or more of the following remedial actions as to the Defaulting Entity, only:

(i) terminate this Fee Agreement; or

(ii) take whatever action at law or in equity may appear necessary or desirable to collect the amounts due hereunder.

In no event shall the Company or any Sponsor Affiliate be liable to the County or otherwise for monetary damages resulting from the Company’s (together with any Sponsor Affiliates) failure to meet the FILOT Act Minimum Investment Requirement, the Contract Minimum Investment Requirement other than as expressly set forth in this Fee Agreement.

In addition to all other remedies provided herein, the failure to make FILOT payments shall give rise to a lien for tax purposes as provided in Section 12-44-90 of the FILOT Act. In this regard, and

notwithstanding anything in this Fee Agreement to the contrary, the County may exercise the remedies that general law (including Title 12, Chapter 49 of the Code) provides with regard to the enforced collection of *ad valorem* taxes to collect any FILOT payments due hereunder.

(b) Whenever any Event of Default by the County shall have occurred or shall be continuing, subject to any applicable cure period, the Company and any Sponsor Affiliate may take one or more of the following actions:

- (i) bring an action for specific enforcement;
- (ii) terminate this Fee Agreement as to the acting party; or
- (iii) in case of a materially incorrect representation or warranty, take such action as is appropriate, including legal action, to recover its damages, to the extent allowed by law.

Section 6.03 Reimbursement of Legal Fees and Expenses and Other Expenses

Upon the occurrence of an Event of Default hereunder by the Company or any Sponsor Affiliate, should the County be required to employ attorneys or incur other reasonable expenses for the collection of payments due hereunder or for the enforcement of performance or observance of any obligation or agreement, the County shall be entitled, within thirty (30) days of demand therefor, to reimbursement of the reasonable fees of such attorneys and such other reasonable expenses so incurred.

Section 6.04 No Waiver

No failure or delay on the part of any party hereto in exercising any right, power, or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy hereunder. No waiver of any provision hereof shall be effective unless the same shall be in writing and signed by the waiving party hereto.

[End of Article VI]

MISCELLANEOUS

Section 7.01 Notices

Any notice, election, demand, request, or other communication to be provided under this Fee Agreement shall be effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms hereof require receipt rather than sending of any notice, in which case such provision shall control:

If to the Company:

PRTR, LLC
c/o Westwind, Inc.
Attn: Thomas Roose
5588 Airport Road
Anderson, South Carolina 29626

With a copy to:

Justin M. Hoyle
Nexsen Pruet, LLC
205 King Street, Suite 400
Charleston, South Carolina 29401

If to the County:

Anderson County
Attn: County Administrator
P.O. Box 8002
Anderson, South Carolina 29622-8002

With a copy to:

Anderson County Attorney
P.O. Box 8002
Anderson, South Carolina 29622-8002

Section 7.02 Binding Effect

This Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Company and any Sponsor Affiliates, the County, and their respective successors and assigns. In the event of the dissolution of the County or the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations, promises, and agreements of this Fee Agreement shall bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency, or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 7.03 Counterparts

This Fee Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 7.04 Governing Law

This Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State.

Section 7.05 Headings

The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

Section 7.06 Amendments

The provisions of this Fee Agreement may only be modified or amended in writing by any agreement or agreements entered into between the parties.

Section 7.07 Further Assurance

From time to time, and at the expense of the Company and any Sponsor Affiliates, the County agrees to execute and deliver to the Company and any such Sponsor Affiliates such additional instruments as the Company or such Sponsor Affiliates may reasonably request and as are authorized by law and reasonably within the purposes and scope of the FILOT Act and this Fee Agreement to effectuate the purposes of this Fee Agreement.

Section 7.08 Invalidity; ~~Change in Laws~~

In the event that the inclusion of property as Economic Development Property or any other issue is unclear under this Fee Agreement, the County hereby expresses its intention that the interpretation of this Fee Agreement shall be in a manner that provides for the broadest inclusion of property under the terms of this Fee Agreement and the maximum incentive permissible under the FILOT Act, to the extent not inconsistent with any of the explicit terms hereof. If any provision of this Fee Agreement is declared illegal, invalid, or unenforceable for any reason, the remaining provisions hereof shall be unimpaired, and such illegal, invalid, or unenforceable provision shall be reformed to effectuate most closely the legal, valid, and enforceable intent thereof and so as to afford the Company and any Sponsor Affiliates with the maximum benefits to be derived herefrom, it being the intention of the County to offer the Company and any Sponsor Affiliates the strongest inducement possible, within the provisions of the FILOT Act, to locate the Project in the County. In case a change in the FILOT Act or South Carolina laws eliminates or reduces any of the restrictions or limitations applicable to the Company and any Sponsor Affiliates and the FILOT incentive, the parties agree that the County will give expedient and full consideration to reformation of this Fee Agreement, and, if the County Council so decides, to provide the Company and any Sponsor Affiliates with the benefits of such change in the FILOT Act or South Carolina laws.

Section 7.09 Termination by Company

The Company is authorized to terminate this Fee Agreement at any time with respect to all or part of the Project upon providing the County with thirty (30) days' written notice; *provided, however*, that (i) any monetary obligations existing hereunder and due and owing at the time of termination to a party hereto

(including without limitation any amounts owed with respect to Section 4.03 hereof); and (ii) any provisions which are intended to survive termination shall survive such termination. In the year following such termination, all property shall be subject to *ad valorem* taxation or such other taxation or fee in lieu of taxation that would apply absent this Agreement. The Company's obligation to make FILOT Payments under this Fee Agreement shall terminate in the year following the year of such termination pursuant to this section.

Section 7.10 Entire Understanding

This Fee Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Fee Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 7.11 Waiver

Either party may waive compliance by the other party with any term or condition of this Fee Agreement only in a writing signed by the waiving party.

Section 7.12 Business Day

In the event that any action, payment, or notice is, by the terms of this Fee Agreement, required to be taken, made, or given on any day which is a Saturday, Sunday, or legal holiday in the jurisdiction in which the person obligated to act is domiciled, such action, payment, or notice may be taken, made, or given on the following business day with the same effect as if given as required hereby, and no interest shall accrue in the interim.

[End of Article VII]

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and behalf by the County Administrator and to be attested by the Clerk of the County Council; and the Company has caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

FOR ANDERSON COUNTY:

(SEAL)

Tommy Dunn, Chairman
Anderson County Council

ATTEST:

Lacey Croegaert
Anderson County Clerk to Council

[Signature Page 1 to Fee in Lieu of Tax and Special Source Revenue Credit Agreement]

PRTR, LLC, a South Carolina limited liability
company

By: _____

Name: _____

Its: _____

[Signature Page 2 to Fee in Lieu of Tax and Special Source Revenue Credit Agreement]

EXHIBIT A

LEGAL DESCRIPTION

All that certain piece, parcel or tract of land situate, lying and being in the County of Anderson, State of South Carolina, Centerville Township, and in School District No. 5, containing 11.99 acres on a plat of same made by RidgeWater Engineering & Surveying, Thomas E. Walls, PLS 9324, dated April 16, 2020 recorded in the Office of the Register of Deeds for Anderson County, SC in Plat Slide S2672 at page 6; and having the metes and bounds, courses and distances as appear upon said plat which is incorporated herein by reference thereto; also shown on plat recorded in Slide 1183 at pages 5-6.

TMS# 097-00-04-019

EXHIBIT B

INVESTMENT CERTIFICATION

I _____, the _____ of PRTR, LLC (the "**Company**"), do hereby certify in connection with Section 4.03 of the Fee in Lieu of Tax and Special Source Revenue Credit Agreement dated as of _____, 2020 between Anderson County, South Carolina and the Company (the "**Agreement**"), as follows:

(1) The total investment made by the Company and any Sponsor Affiliates in the Project during the calendar year ending December 31, 20__ was \$_____.

(2) The cumulative total investment made by the Company and any Sponsor Affiliates in the Project from the period beginning _____, 20__ (that is, the beginning date of the Investment Period) and ending December 31, 20__, is \$_____.

All capitalized terms used but not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, I have set my hand this _____ day of _____, 20__.

Name: _____

Its: _____

EXHIBIT C

INFRASTRUCTURE INVESTMENT CERTIFICATION

I _____, the _____ of PRTR, LLC (the "**Company**"), do hereby certify in connection with Section 4.02 of the Fee in Lieu of Tax and Special Source Revenue Credit Agreement dated as of _____, 2020 between Anderson County, South Carolina and the Company (the "**Agreement**"), as follows:

(1) As of the date hereof, the aggregate amount of Special Source Revenue Credits previously received by the Company and any Sponsor Affiliates is \$_____.

(2) As of December 31, 20__, the aggregate amount of investment in costs of Infrastructure incurred by the Company and any Sponsor Affiliates during the Investment Period is not less than \$_____.

(3) [Use only if expenditures for personal property will be used to account for Special Source Revenue Credits.] Of the total amount set forth in (2) above, \$_____ pertains to the investment in personal property, including machinery and equipment, at the Project. The applicable personal property, and associated expenditures, are listed below:

Personal Property Description

Investment Amount

All capitalized terms used but not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, I have set my hand this _____ day of _____, 20__.

Name: _____
Its: _____



AGENDA

ANDERSON COUNTY FINANCE COMMITTEE MEETING

Monday October 5, 2020 1:30 p.m.

101 South Main Street, Anderson SC

Second Floor, Administrator's Conference Room

Chairman Brett Sanders, Presiding

Tommy Dunn
Chairman
Council District 5

Brett Sanders
Vice Chairman
Council District 4

Craig Wooten
Council District 1

Gracie S. Floyd
Council District 2

Ray Graham
Council District 3

Jimmy Davis
Council District 6

M. Cindy Wilson
Council District 7

Lacey Croegaert
Clerk to Council

Rusty Burns
County Administrator

- | | |
|--|-------------------------------------|
| 1. Call to Order | Chairman Sanders |
| 2. Prayer and Pledge of Allegiance | Chairman Sanders |
| 3. Registration & Elections CTCL Grant | Mr. Rusty Burns |
| 4. Green Pond SC DNR Grant | Mr. Rusty Burns |
| 5. Viva Recycling Upstate LLC DHEC Cleanup
Grant & S&ME Consulting Services Agreement | Mr. Rusty Burns &
Mr. Greg Smith |
| 6. Continued Discussion of FY 21 Budget | Ms. Rita Davis |
| 7. Citizens Comments | |
| 8. Adjourn | |

ADMINISTRATION DIVISION

Rusty Burns | County Administrator

O: 864-260-4031 | F: 864-260-4548 | rburns@andersoncountysc.org
Historic Courthouse | 101 South Main Street, Anderson SC 29624
PO Box 8002, Anderson, South Carolina 29622-8002 | www.andersoncountysc.org



CENTER FOR
TECH AND
CIVIC LIFE

September 30, 2020

Anderson County, South Carolina
County Administrator
101 South Main Street
Anderson, SC 29624

Dear Rusty Burns,

I am pleased to inform you that based on and in reliance upon the information and materials provided by Anderson County, the Center for Tech and Civic Life ("CTCL"), a nonprofit organization tax-exempt under Internal Revenue Code ("IRC") section 501(c)(3), has decided to award a grant to support the work of Anderson County ("Grantee").

The following is a description of the grant:

AMOUNT OF GRANT: \$116,044.00 USD

PURPOSE: The grant funds must be used exclusively for the public purpose of planning and operationalizing safe and secure election administration in Anderson County in 2020 ("Purpose").

Before CTCL transmits these funds to Grantee, CTCL requires that Grantee review and sign this agreement ("Grant Agreement") and agree to use the grant funds in compliance with the Grant Agreement and with United States tax laws and the laws and regulations of your state and jurisdiction ("Applicable Laws"). Specifically, by signing this letter Grantee certifies and agrees to the following:

1. Grantee is a local government unit or political subdivision within the meaning of IRC section 170(c)(1).

2. This grant shall be used only for the Purpose described above, and for no other purposes.
3. Grantee has indicated that the amount of the grant shall be expended on the following specific election administration needs: Ballot drop boxes, Election department real estate costs, or costs associated with satellite election department offices, Non-partisan voter education, Poll worker recruitment funds, hazard pay, and/or training expenses, Temporary staffing, Vote-by-mail/Absentee voting equipment or supplies, and Election administration equipment. Grantee may allocate grant funds among those needs, or to other public purposes listed in the grant application, without further notice to or permission of CTCL.
4. Grantee shall not use any part of this grant to make a grant to another organization, except in the case where the organization is a local government unit or political subdivision within the meaning of IRC section 170(c)(1) or a nonprofit organization tax-exempt under IRC section 501(c)(3), and the subgrant is intended to accomplish the Purpose of this grant. Grantee shall take reasonable steps to ensure that any such subgrant is used in a manner consistent with the terms and conditions of this Grant Agreement, including requiring that subgrantee agrees in writing to comply with the terms and conditions of this Grant Agreement.
5. The grant project period of June 15, 2020 through December 31, 2020 represents the dates between which covered costs may be applied to the grant. The Grantee shall expend the amount of this grant for the Purpose by December 31, 2020.
6. Grantee is authorized to receive this grant from CTCL and certifies that (a) the receipt of these grant funds does not violate any Applicable Laws, and (b) Grantee has taken all required, reasonable and necessary steps to receive, accept and expend the grant in accordance with the Purpose and Applicable Law.
7. The Grantee shall produce a brief report explaining and documenting how grant funds have been expended in support of the activities described in paragraph 3. This report shall be sent to CTCL no later than January 31, 2021 in a format approved by CTCL and shall include with the report a signed certification by Grantee that it has complied with all terms and conditions of this Grant Agreement.
8. This grant may not supplant previously appropriated funds. The Grantee shall not reduce the budget of the County Board of Elections and Voter Registration ("the Election Department") or fail to appropriate or provide previously budgeted funds to the Election Department for the term of this grant. Any amount supplanted, reduced or not provided in contravention of this paragraph shall be repaid to CTCL up to the total amount of this grant.
9. CTCL may discontinue, modify, withhold part of, or ask for the return all or part of the grant funds if it determines, in its sole judgment, that (a) any of the above terms and conditions of this grant have not been met, or (b) CTCL is required to do so to comply with applicable laws or regulations.



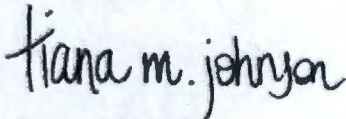
CENTER FOR TECH & CIVIC LIFE
233 N. MICHIGAN AVE., SUITE 1800
CHICAGO, IL 60601
HELLO@TECHANDCIVICLIFE.ORG

10. The grant project period of June 15, 2020 through December 31, 2020 represents the dates between which covered costs for the Purpose may be applied to the grant.

Your acceptance of and agreement to these terms and conditions and this Grant Agreement is indicated by your signature below on behalf of Grantee. Please have an authorized representative of Grantee sign below, and return a scanned copy of this letter to us by email at grants@techandcivicliflife.org.

On behalf of CTCL, I extend my best wishes in your work.

Sincerely,



Tiana Epps Johnson
Executive Director
Center for Tech and Civic Life

GRANTEE

By: _____

Title: _____

Date: _____



CENTER FOR TECH & CIVIC LIFE
233 N. MICHIGAN AVE., SUITE 1800
CHICAGO, IL 60601
HELLO@TECHANDCIVICLIFE.ORG



DNR

SOUTH CAROLINA DEPARTMENT OF NATURAL RESOURCES

SUBRECIPIENT AGREEMENT

FEDERAL AWARDING AGENCY:

U.S. Fish and Wildlife

FEDERAL AWARD DATE:

08/24/2020

FEDERAL AWARD IDENTIFICATION NUMBER (FAIN):

F20AF11646

CFDA NUMBER/NAME:

15.605 - Sport Fish Restoration

TOTAL FEDERAL AWARD:

\$1,000,000.00

Office of Grants Administration (OGA) -only

SAM Check Date: 09/10/2020 **Initial:** TT

SAM Expiration Date: 08/27/2021

<https://www.sam.gov/portal/SAM/>

Print Screen must be placed in grant file

Risk Assessment Completed Date: 9/21/2020 **Initial:** CNA
Single Audit Check Completed Date: 9/21/2020 **Initial:** CNA

South Carolina Department of Natural Resources

Subrecipient Agreement

SECTION I – SUBRECIPIENT GENERAL INFORMATION

Grant Reference Number (SCDNR): P24012401720		Subrecipient Reference Number: SCDNR FY2021-014	
Grant Title: Anderson - Green Pond Landing Courtesy Dock & Support Power Supply			
Subrecipient: Anderson County		DUNS#: 098400906	Indirect Cost Rate:
Subrecipient Principal Investigator: Matthew Schell		PTE Principal Investigator: Andy Wicker	
Address: 101 South Main Street		City/State: Anderson	Zip Code: 29624
Award Start Date: 09/01/2020		Award End Date: 8/31/2021	Fiscal Year End Month: June
Amount Previously Awarded: \$		Amount Awarded This Action: \$ 1,000,000.00	Total Award Amount to Date: \$ 1,000,000.00
Original: Yes	Date of Agreement:	FFATA: Agreement >= \$25,000 Yes	Cost Sharing: Yes \$ 333,334.00
Amendment #:			R&D: YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
If this action is an amendment, please select applicable:			
Funding Allocation:		Performance Period:	Other:
Reason for Modification:			
DUNS Registered Name (if different than Subrecipient's name):			

SECTION II – FUNDING ALLOCATION

Federal Project Description: Construction of a 320' courtesy dock with a 100' "T-Dock" and construction of a new power supply grid in trailer parking area			
Federal Awarding Agency: U.S. Fish and Wildlife		Pass Through Agency (when applicable): SCDNR	
Awarded Previously	Awarded This Action	Cumulative Award	Total Awarded –All Funds
	\$ 1,000,000.00	\$ 1,000,000.00	\$ 1,000,000.00

SECTION III – CONTACT INFORMATION

<u>Fiscal Contact-Granting Agency:</u> Terence Tomlin Grants Coordinator Tomlint@dnr.sc.gov 803-734-1449	<u>Program Contact-Granting Agency:</u> Andy Wicker, P.E. Chief Engineer WickerA@dnr.sc.gov 803-542-2729	<u>Subrecipient Contact:</u> Matthew Schell Parks Department Manager mschell@andersoncountysc.org 864-760-5948
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SCDNR - STANDARD SUBRECIPIENT AGREEMENT

1. **Parties:** This is a Subrecipient Agreement between the S.C. Department of Natural Resources (herein “SCDNR”), and [Anderson County] with its principal place of business at [101 South Main Street, Anderson, SC 29624], (herein “Subrecipient”).
2. **Subject Matter:** The subject matter of this Agreement is [Green Pond Landing - Dock & Power Project]. The identifying information for this Agreement is set forth in Part 1- Subrecipient Award Detail. The Subrecipient’s detailed Scope of Work to be Performed is Attachment A (herein “Scope of Work”).
3. **Maximum Amount:** In consideration of the Scope of Work, the SCDNR agrees to pay Subrecipient, in accordance with the Budget and Payment Provisions specified in Attachment B and the other terms of this Agreement, a sum not to exceed \$ 1,000,000.00. Funds provided by the SCDNR to Subrecipient under this Agreement cannot be used as match for the purpose of obtaining additional federal funds or assistance by the Subrecipient unless expressly allowed by federal law and with the written approval of the SCDNR which may be contingent on federal approval.
4. **Agreement Term:** This Agreement shall first be effective and Subrecipient’s performance shall begin upon the date of execution by the SCDNR and, unless terminated sooner or amended by the parties, shall end on 8/31/2021. Unless otherwise specified in the Budget and Payment Provisions - Attachment B, no funds may be obligated under this Agreement outside of this term.
5. **Procurement:** The Subrecipient must follow its procurement law or policy for any equipment, supplies, and/or services outside of its organization. However, adequate documentation must be available to satisfy federal audit requirements. Subagreements are addressed in SCDNR Standard Grant Provision (Attachment D).
6. **Ownership and Disposition of Equipment:** Any equipment purchased by or furnished to the Subrecipient by the SCDNR under this Agreement is provided on a loan basis only.
7. **Subrecipient Representations:** Any information provided by Subrecipient to SCDNR prior to the execution of this Agreement shall be deemed a material representation underlying SCDNR’s decision to enter into this agreement. Subrecipient shall have an ongoing obligation to correct any errors or omissions and to update such information as may be necessary. Accordingly, Subrecipient’s prior and subsequent representations are hereby incorporated by reference and include any responses to RFPs, applications, assurances, certifications, risk assessment responses, progress reports, and any state or federal grant forms.
8. **Compliance with Applicable Laws:** Subrecipient shall comply with all applicable federal, state, and local laws whether specifically identified in this Agreement or not and hereby represents itself to be in compliance with such laws as are necessary to fully perform under this Agreement. Furthermore, Subrecipient shall be responsible for obtaining any project-specific permits or authorizations which may be required to fully perform under this

SCDNR SUBRECIPIENT AGREEMENT

Agreement.

9. **Amendment:** No changes, modifications, or amendments in the terms and conditions of this Agreement shall be effective unless reduced to writing and signed by the duly authorized representative of the SCDNR and Subrecipient. No amendment will be considered without a detailed justification to support the amendment request. Failure to provide an adequate justification may result in the denial of the request. Any request for an amendment to this Agreement must be made in writing at least 30 days prior to the end date of this Agreement or the request may be denied.
10. **Suspension and Cancellation:** This Agreement may be suspended or cancelled by either party by giving written notice at least 30 days in advance. Upon notice of suspension or cancellation of the Agreement by SCDNR, Subrecipient and anyone acting under it shall not obligate any additional funds unless otherwise agreed in writing by SCDNR. Subrecipient may only be reimbursed for un-cancelable obligations incurred prior to notice of suspension or cancellation to the extent SCDNR has funds available for such purposes.
11. **Fiscal Year:** The Subrecipient's fiscal year starts July 1 and ends June 30.
12. **Work Product Ownership:** Unless otherwise specified in Other Grant Provisions (Exhibit E), all products of the Subrecipient's work under this Agreement, including outlines, reports, charts, sketches, drawings, art work, plans, photographs, specifications, estimates, computer programs, or similar documents or data, become the sole property of the SCDNR and may not be copyrighted or resold by Subrecipient.
13. **Attachments:** In addition to Part 1 and Part 2, this Subrecipient Agreement consists of the following attachments that are incorporated herein by reference.

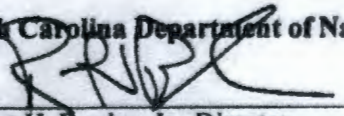
Please initial below to indicate you have read and understand each attachment.

- ☐ Attachment A - Scope of Work to be Performed
- ☐ Attachment B - Budget and Payment Provisions
- ☐ Attachment C - Federal Funds Grant Provisions
- ☐ Attachment D - SCDNR Standard Grant Provisions
- ☐ Attachment E - Other Grant Provisions

We, the undersigned parties, agree to be bound by this Subrecipient Agreement, including its provisions, attachments, and conditions.

South Carolina Department of Natural Resources

Subrecipient


Robert H. Boyles, Jr., Director

Date:

9-28-2020

Name: _____

Title: _____

Date: _____

Attachment A
Scope of Work to be Performed

This project involves the design and construction of a new 420' courtesy dock consisting of a 320' main dock and 100' "T-Dock" on the end. This project also consists of the design and construction of a power supply grid in the upper trailer parking area to include (80) 110 volt outlets for battery chargers and alternating 30-amp and 50-amp outlets for service and vendor vehicles.

Subrecipient shall be responsible for all aspects of the project including procurement, project management, quality control and payments to ensure satisfactory completion of the project. Subrecipient shall be responsible for all cost associated with the project and shall be reimbursed from the funds identified in the Subrecipient Agreement upon final completion and payment of the project and approval by SCDNR.

Subrecipient agrees to furnish SCDNR with an invoice requesting reimbursement, copy of Purchase Orders, paid invoices, canceled checks, and /or other documentation to verify the appropriate expenditure and amount of the funds for reimbursement. The State of South Carolina acting through its Department of Natural Resources upon receipt of this properly executed document, invoices and canceled checks will issue reimbursement not to exceed the amount of this agreement.

Subrecipient will certify that all documents provided to the SCDNR are accurate and the work reflected in the completion certificate meets the relevant standards and has been accepted by the Subrecipient.

Subrecipient is responsible for all fees, permits, licenses or certificates otherwise required.

- 1. Objectives and Timeline:** Complete scope of work within grant period.
- 2. Performance Measures and Deliverables:** 100% Completion of scope of work and submittal of reimbursement request.
- 3. Progress reports:** The Subrecipient shall submit progress reports to the SCDNR according to the following schedule. [100% Completion] Each report shall describe the status of the Subrecipient's performance since the preceding report and the progress expected to be made in the next successive period. Each report shall describe Subrecipient activities by reference to the work specifications contained in the Scope of Work to be Performed and shall include a statement of work hours expended, expenses incurred, bills submitted, and payments made. If scheduled, a Program Progress Report is required even if there has been no activity. Insufficient submittals may be rejected by SCDNR.

Attachment B
Budget and Payment Provisions

This Agreement is performance based. Payments made to the Subrecipient by the SCDNR are based on the successful completion of performance measures identified in the Scope of Work to be Performed. If the Subrecipient is unable to obtain successful completion of a performance measure within the terms and conditions of the Agreement, the Subrecipient may only receive a portion of the payment for that measure if partially completed or will not receive payment at all if substantial performance of that measure is not demonstrated.

The SCDNR will measure sufficient progress by examining the performance required under the Scope of Work to be Performed in conjunction with the associated schedule, the time remaining for performance within the project period, the availability of funds necessary to complete the project, and other relevant factors.

Subject to the complete terms of this Subrecipient Agreement, the SCDNR agrees to compensate the Subrecipient for services performed and allowable as indicated in the outlined budget detail and if such expenses are within the scope of and authorized by this Subrecipient Agreement.

Budget Detail:

Salaries	\$
Fringes	\$
Contractual	\$
Supplies	\$
Travel & Mileage	\$
Equipment	\$
Other Costs	\$ 1,000,000.00
Indirect Cost*	\$

(Subrecipient Indirect Cost rate is 0.00%%)

Total Federal Share \$ 1,000,000.00

Total Non-Federal Share (Match) \$ 333,334.00

Non-Federal Funds provided by: Anderson County

Reimbursement Periods: As measured from the Subrecipient's award start date, Subrecipient shall present SCDNR with requests for payment:

- ☐ Monthly
☐ Quarterly
☐ Biannually
☐ Annually
☒ Upon project completion
☐ Other: _____

Other Special Budget Provisions:

Optional -- remove if not applicable: **Pre-award Costs:** Having obtained written authorization from the federal grant administrator, SCDNR may provide reimbursement for pre-award costs for the period of _____.

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***Indirect Cost Rate:** Current Rate Approval Letter Must Be on File with SCDNR. When an indirect rate is included, it must be an approved federally recognized indirect cost rate negotiated between the Subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between the SCDNR and the Subrecipient, or a de minimis indirect cost rate of 10%. It is also important to note that indirect rates may be subject to statutory caps of the Federal program. A de minimis rate may only be used by those Subrecipients that have never had an approved indirect rate in the past. A de minimis rate may not be used by State and Local Governments (including school districts). (See 2 CFR 200.331-6 and 200.414)

Budget Modification: Without seeking approval of but upon providing written notice to SCDNR, Subrecipient may shift any cost category by up to 10% of the total award in effect at that time so long as such changes do not alter the Scope of Work to be Performed. Any proposed shift in a cost category exceeding 10% of the total award in effect at that time must first be approved in writing by SCDNR.

PAYMENT REQUESTS REQUIREMENTS:

Program Progress Reports: Program Progress Reports are due when the Subrecipient Financial Status Report and Request for Funds Form is submitted for reimbursement. If a satisfactory Program Progress Report is not submitted then payment will not be processed.

Subrecipient Financial Status Report and Request for Funds Form: Subrecipient must submit a completed Subrecipient Financial Status Report and Request for Funds Form along with an invoice and supporting documentation (to include a detailed General Ledger Report with related performance period transactions) to initiate and substantiate a payment request. Incomplete forms or inadequate documentation may delay or prevent reimbursement. The Subrecipient Financial Status Report and Request for Funds Form has been attached for your convenience.

Match Documentation: Expenditure or accrual of any matching funds or value anticipated under this Agreement must be appropriately documented and such documentation must be periodically provided with the associated Subrecipient Financial Status Report and Request for Funds Form.

Annual Audit Certification: If the Agreement spans more than one fiscal year of the Subrecipient, the Subrecipient must complete and provide SCDNR with an Annual Audit Certification including any appropriate audits or other supporting documentation.

Following receipt, review and approval of the above items and consideration of Subrecipient's compliance with the terms of this Agreement, SCDNR will reimburse the Subrecipient in arrears of expenditures. These requests must be submitted to: SCDNR, c/o Grants Office, P.O. Box 167, Columbia, SC 29202 or emailed to GrantSubmissions@dnr.sc.gov.

Closeout: Upon verification that Subrecipient has satisfied all obligations under this Agreement which specifically include all activities and deliverables under the Scope of Work to be Performed and providing an adequate accounting for all grant fund expenditures and match, a final payment and closeout letter will be issued to the Subrecipient.

**ATTACHMENT C
FEDERAL FUNDS GRANT PROVISIONS**

This Agreement is subject to the requirements of applicable federal laws, policies and bulletins associated with federal funds including but not limited to those listed below. Furthermore, the recipient certifies, where noted, to the stated representations.

1. **Acknowledgement of Federal Funding:** All recipients of financial assistance will comply with requirements to acknowledge federal funding (including federal award number) when issuing statements, press releases, requests for proposals, bid invitations, project publications, and other documents describing projects or programs funded in whole or in part with federal funds.
2. **Copyright:** All recipients must affix the applicable copyright notices of the Copyright Act of 1976 (see 17 U.S.C. § 401 or 402 and 2 CFR 200.315 and 2 CFR 200.448).
3. **Patents and Intellectual Property Rights:** Unless otherwise provided by law, recipients are subject to the Bayh-Dole Act, Pub. L. No. 96-517, as amended, and codified in 35 U.S.C. § 200 *et seq.* All recipients are subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from financial assistance awards are in 37 C.F.R. Part 401 and the standard patent rights clause in 37 C.F.R. § 401.14. Among other obligations, the recipient of funds shall grant the SCDNR and the Federal government a non-exclusive, non-transferable, irrevocable, paid-up license to practice or have practice on its behalf throughout the world.
4. **Internal Controls:** In accordance with 2 CFR Part II, §200.303, the recipient must establish and maintain effective internal controls to provide reasonable assurance that the recipient is managing all funds under this Agreement in compliance with federal statutes, regulations, and the terms and conditions of the award agreements. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or comparable Generally Accepted Accounting Principles (GAAP).
5. **Requirement to Have a Single Audit:** The recipient will complete an Annual Audit Certification and a Single Audit is required if the recipient of federal funds expends \$750,000 or more in federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Part 200, Subpart F.
6. **Duplication of Benefits:** Any cost allocable to a particular federal award provided for in 2 C.F.R. Part 200, Subpart E may not be charged to other federal awards to overcome fund deficiencies, to avoid restrictions imposed by federal statutes, regulations, or terms and conditions of the federal awards, or for other reasons. However, this prohibition would not preclude the non-federal statutes, regulations, or the terms and conditions of the federal awards.
7. **False Claims Act and Program Fraud Civil Remedies:** All recipients must comply with the requirements of 31 U.S.C. § 3729 which set forth that no recipient of federal payments shall submit a false claim for payment. See also 38 U.S.C. § 3801-3812 which details the administrative remedies for false claims and statements made.
8. **Federal Debarment and Suspension:** Recipients of federal funds are subject to the requirements of the OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement) (2 CFR Part 180). Additionally, this Agreement is subject to Executive Orders 12549 and 12689 "Debarment and Suspension" and as further adopted by any funding entity. A contract award under this Agreement cannot be made to parties listed on the government wide Excluded Parties List System in the System for Award Management (SAM) in accordance with the OMB guidelines at 2 CFR Part 180 that implement Executive Orders 12549 and 12689.
9. **Hatch Act:** Recipient shall ensure its employees comply with the limitations on political activity in order to comply with the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328), as amended.

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10. **Byrd Anti-Lobbying Amendment:** The Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) provides that recipients that apply or bid for an award of \$100,000 or more must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Any recipient of funds under this Agreement subject to the Byrd Anti-Lobbying Amendment hereby certifies to the best of his/her/it's knowledge and belief that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the recipient, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
 - b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - c. Recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. (43 CFR Part 18 – Appendix A to Part 18).
11. **Mandatory Disclosures:** In accordance with 2 CFR Part II, §200.113, the recipient must disclose, in a timely manner, in writing to the SCDNR, all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, *etc.*
12. **Federal Debt Status:** All recipients are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129.
13. **Non-supplanting Requirement:** For federal programs which prohibit supplanting, recipients must ensure that federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-federal sources. Applicants or recipients may be required to demonstrate and document that a reduction in non-federal resources occurred for reasons other than the receipt of expected receipt of federal funds.
14. **Procurement of Recovered Materials:** All recipients must comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired by the preceding fiscal year exceeded \$10,000; procuring solid waste

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management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

15. **Disposition of Equipment Acquired Under the Federal Award:** When original or replacement equipment acquired under this award by the recipient is no longer needed for the original project or program or for other activities currently or previously supported by the federal grant program, recipient must request instructions from SCDNR to make proper disposition of the equipment pursuant to 2 C.F.R. § 200.313.
16. **Terrorist Financing E.O. 13224:** All recipients must comply with U.S. Executive Order 13224 and U.S. law that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of recipients to ensure compliance with the E.O. and laws.

17. Federal Equal Opportunity Protections

- a. **Age Discrimination Act of 1975:** All recipients of financial assistance will comply with the requirements of the Age Discrimination Act of 1975 (42 U.S.C. § 6101 *et seq.*), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.
- b. **Civil Rights Act of 1964:** All recipients of financial assistance will comply with the requirements of Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

As part of compliance with Title VI, all recipients must take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. Providing meaningful access for persons with LEP may entail providing language assistance services, including oral interpretation and written translation. In order to facilitate compliance with Title VI, recipients are encouraged to consider the need for language services for LEP persons served or encountered in developing program budgets. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency (August 11, 2000), requires federal agencies to issue guidance to recipients, assisting such organizations and entities in understanding their language access obligations.

- c. **Civil Right Act of 1968:** All recipients of financial assistance will comply with Title VI 11 of the Civil Rights Act of 1968, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. § 3601 *et seq.*), as implemented by the Department of Housing and Urban Development at 24 CFR Part 100.
- d. **Title IX of the Education Amendments of 1972:** All recipients of financial assistance will comply with the requirements of Title IX of the Education Amendments of 1972 (20 U.S.C. § 1681 *et seq.*), which provides that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance. These regulations are codified at 44 CFR Part 19.
- e. **Rehabilitation Act of 1973:** All recipients must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794, as amended, which provides that no otherwise qualified handicapped individual in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. These requirements pertain to the provision of benefits or services as well as to employment.
- f. **Americans with Disabilities Act of 1990:** The recipient shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.*), as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the recipient

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under this agreement.

- g. **Drug Abuse Office and Treatment Act of 1972:** The recipient may not discriminate on the basis of drug abuse as required for compliance with the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended.
- h. **Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970:** The recipient may not discriminate on the basis of alcohol abuse or alcoholism as required for compliance with the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 (91 P.L. 616), as amended.
- i. **Equal Employment Opportunity:** No person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination in relation to any activities carried out under this Agreement on the grounds of race, age, health status, handicap, color, sex, religion or national origin. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR Part 60-1.4(b), in accordance with Executive Order 11246 "Equal Employment Opportunity" (see 30 FR 12319, as amended by Executive Order 11373, "Amending Executive Order 11246 Relating to Equal Employment Opportunity" (see 32 FR 14303) and implementing regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor", and as further amended by Executive Order 13672, "Further Amendments to Executive Order 11478, Equal Employment Opportunity in the Federal Government, and Executive Order 11246, Equal Employment Opportunity" (see 79 FR 72985). The language of 41 CFR 60-1.4 is hereby incorporated by reference and each contractor or subcontractor shall include, as applicable, the language required under 41 CFR Part 60 in each of its contracts related to this Agreement.
- j. **Small and Minority Businesses, Women's Business Enterprises, and Labor Area Surplus Firms:** Recipient shall comply with the requirements of 2 CFR § 200.321 and must take all necessary, affirmative steps to assure that small and minority businesses, women's business enterprises, and labor area surplus firms are used when possible. These steps are in addition to full and open competition and must include, at a minimum, the following six affirmative steps.
 - i. **Solicitation Lists.** The recipient must place small and minority businesses and women's business enterprises on solicitation lists.
 - ii. **Solicitations.** The recipient must assure that it solicits small and minority businesses and women's business enterprises whenever they are potential sources.
 - iii. **Dividing Requirements.** The recipient must divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises.
 - iv. **Delivery Schedules.** The recipient must establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses and women's business enterprises.
 - v. **Obtaining Assistance.** The recipient must use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
 - vi. **Prime Contractor Requirements.** The recipient must require the prime contractor, if subcontracts are anticipated or let, to take the five affirmative steps described in above.
- 18. **Davis-Bacon Act:** For public building or public works construction, alteration, or repair projects, the recipient of funds under this Agreement is required to follow the Davis-Bacon Act, as amended (40 U.S.C. 3141-3148 and 3146-3148). All construction contracts awarded by SCDNR or the recipient funds under this Agreement of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act and as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. The recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon acceptance of the wage

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determination. The recipient of funds under this Agreement shall report all suspected or reported violations to SCDNR.

19. **Copeland "Anti-Kickback" Act:** For public building or public works construction, alteration, or repair projects, the recipient of funds under this Agreement shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. § 874 and 40 U.S.C. 3145) for all contracts for construction or repair awarded SCDNR or by the recipient of funds under this Agreement. The recipient shall include a provision for compliance with the Act, as supplemented by the Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient of funds under this Agreement shall report all suspected or reported violations to SCDNR.
20. **Intergovernmental Personnel Act of 1970:** Where applicable, recipient shall comply or otherwise assist SCDNR in complying with the Intergovernmental Personnel Act of 1970 (42 U.S.C. § 4728-4763).
21. **Whistleblower Protection Act:** All recipients must comply with the statutory requirements for whistleblower protections (if applicable) at 10 U.S.C. § 2409, 41 U.S.C. 4712, and 10 U.S.C. § 2324, 41 U.S.C. § § 4304 and 4310. In accordance with the 41 U.S.C 4712, "Contractor Protection From Retaliation For Disclosure of Certain Information," this requirement applies to all awards issued after January 1, 2013.
 - a. This award and related subawards and contracts over the simplified acquisition threshold and all employees working on this award and related subawards and contracts over the simplified acquisition threshold are subject to the whistleblower rights and remedies in the pilot program on award recipient employee whistleblower protections established at 41 U.S.C. 4712.
 - b. Recipients, and their subrecipients and contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 U.S.C. 4712.
 - c. The recipient shall insert this clause, including this paragraph (c), in all subawards and contracts over the simplified acquisition threshold related to this award.
22. **Federal Administrative Regulations:** The federal funds provides under this agreement are subject to the requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) which became effective December 26, 2014 for federal awards issued after December 26, 2014. This regulation superseded requirements from OMB Circulars A-21, A-87, A-110, and A-122 (which have been placed in 2 C.F.R. Parts 220, 225, 215, and 230); Circulars A-89, A-102, and A-133; and the guidance in Circular A-50. The regulations is available here: https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl
23. **Drug Free Workplace:** In association with 2 CFR Part 182, the recipient certifies to SCDNR that it will provide a drug-free workplace program by:
 - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's workplace and specifying the actions that will be taken against employees for violations of the prohibition.
 - b. Establishing a drug-free awareness program to inform employees about:
 - i. The dangers of drug abuse in the workplace;
 - ii. The recipient's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv. The penalties that may be imposed upon employees for drug violations.
 - c. Making it a requirement that each employee to be engaged in the performance of the Agreement be given a copy of the statement required by item 23(a).

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- d. Notifying the employee in the statement required by item 23(a) that as a condition of employment in association with the Agreement, the employee will:
 - i. Abide by the terms of the statement; and
 - ii. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than 5 days after the conviction.
 - e. Notifying the SCDNR within 10 days after receiving notice under item 23(d)(ii) from an employee or otherwise receiving actual notice of the conviction.
 - f. Recipient shall within thirty days after receiving notice from an employee of a criminal drug conviction:
 - i. take appropriate personnel action against the employee up to and including termination; or
 - ii. require the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for the purposes by a federal, state, or local health, law enforcement, or other appropriate agency.
 - iii. Recipient shall require the same of any contractors working in association with this Agreement.
 - g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of items 23(a) through (f). (S.C. Code Ann. §§ 44-107-30 & -50)
- 24. Environment and Historic Preservation:** Recipient will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 *et seq.*); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 *et seq.*); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-203); (i) protection of national wild and scenic river components and potential components under the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 *et seq.*); and (j) assisting the awarding federal agency and SCDNR in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 *et seq.*).
- Where applicable, the recipient of funds under this Agreement is required to follow the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387) (*a/k/a* Clean Water Act), as amended. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the recipient of non-Federal funds and any subcontractor to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- 25. Energy Policy and Conservation Act:** All recipients must comply with the requirements of 42 U.S.C. § 6201 which contain policies relating to energy efficiency that are defined in the state energy conservation plan issues in compliance with this Act. The South Carolina Energy Office oversees the State Energy Plan (see S.C. Code Section 48-52-10 *et seq.* and <http://www.energy.sc.gov/energyplan>).
- 26. Laboratory Animal Welfare Act of 1966:** Recipient will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 *et seq.*) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.

SCDNR SUBRECIPIENT AGREEMENT

27. **Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970:** If the recipient's project affects real property interests, the recipient may shall comply or otherwise assist SCDNR in complying with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646), as amended.
28. **Fly America Act of 1974:** All recipients must comply with the requirements of the preference for U.S. carriers (air carriers holding certificates under 49 U.S.C. § 41108) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974 (49 U.S.C. § 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, 'amendment to Comptroller General Decision B138942.
29. **Hotel & Motel Fire Safety Act of 1990:** In accordance with the Hotel and Motel Fire Safety Act of 1990, 15 U.S.C. §2201, all recipients must ensure that all conference, meeting, convention, or training space funded in whole or in part with federal funds complies with the fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974. See 41 CFR Part 301-74.
30. **USA Patriot Act of 2001:** All recipients of financial assistance will comply with the requirements of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act (USA PATRIOT Act), which amends 18 U.S.C. §§175-175c. Among other things, it prescribes criminal penalties for possession of any biological agent, toxin, or delivery system of a type or in a quantity that is not reasonably justified by a prophylactic, protective, bona fide research, or other peaceful purpose. The act also establishes restrictions on access to specified materials. "Restricted persons," as defined by the act, may not possess, ship, transport, or receive any biological agent or toxin that is listed as a select agent.
31. **National Fire Incident Reporting System:** Reports to fire marshals or incident reports must be submitted to the National Fire Incident Reporting System (NFIRS) within 15 days after the end of the previous month as a condition for any and all grant awards. All agencies applying for Division of Emergency Management and Homeland Security funds must submit a current copy of their completed NIFRS report.

ATTACHMENT D
SCDNR STANDARD GRANT PROVISIONS

1. Definitions: For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the South Carolina Department of Natural Resources is executing this Agreement. "Agreement" shall mean the specific contract or grant to which this form is attached.

2. Independence: The Party will act in an independent capacity and not as officer, employee or agent of the SCDNR.

3. No Employee Benefits For The Party: The Party understands that the SCDNR will not provide to the Party or anyone acting on its behalf any form of employee benefits or services available to State employees and SCDNR will not withhold any state or federal taxes for the Party or anyone acting on its behalf. The Party understands that all tax filings required by the Internal Revenue Code and the State of South Carolina, including but not limited to income and withholding, must be filed by the Party, and information as to Agreement income may be provided by the State of South Carolina to the Internal Revenue Service and the South Carolina Department of Revenue as may be required.

4. Reliance by the SCDNR on Representations: All payments and other actions by the SCDNR under this Agreement will be made in reliance upon the accuracy of all representations made by the Party in accordance with the contract or grant agreement, including but not limited to bills, invoices, progress reports and other proofs of work.

5. Insurance: SCDNR provides no insurance coverage for liability or loss of the Party or its agents. The Party shall carry general liability insurance on an occurrence form and limits shall not be less than \$1,000,000 per occurrence. If a Party to this Agreement is a federal, state, or local governmental entity, such governmental parties may satisfy these insurance requirements to the extent comparable coverage is maintained through the South Carolina Insurance Reserve Fund or the equivalent.

6. Records Available for Audit: The Party shall maintain all records pertaining to performance under this Agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this Agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for five years thereafter or for any period required by law for inspection by any authorized representatives of the SCDNR, the State of South Carolina, or federal government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

7. South Carolina Human Affairs Law and Americans with Disabilities Act: A Party which is a Covered Entity under the South Carolina Human Affairs Law (S.C. Code Ann. § 1-13-10, *et seq.* (1976 & Supp. 2016)) must comply in full with the Act. The Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et*

seq.), as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement.

8 Certification Regarding Debarment: The Party certifies that, as of the date that this Agreement is signed, neither the Party nor the Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, programs supported in whole or in part by federal funds (see 2 CFR Parts 180, 200, 417, 901, 1125, 1326, 1400, 1532, 2520, 3000, and 3485), or pursuant to South Carolina Consolidated Procurement Code, S.C. Code Ann. § 11-35-4220 (1976 & Supp. 2016).

9 Conflict of Interest and State Ethics Reform Act: The Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest and shall comply with South Carolina's ethical standards as provided by law. See S.C. Ethics Reform Act (S.C. Code Ann. § 8-13-10, *et seq.* (1976 & Supp. 2016)), S.C. Consolidated Procurement Code (S.C. Code Ann. § 11-35-10, *et seq.* (1976 & Supp. 2016)), and 2 CFR 200.112.

10 Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial: This Agreement will be governed by the laws of the State of South Carolina. Any action or proceeding brought by either the SCDNR or the Party in connection with this Agreement shall be brought and enforced in the Circuit Court of the State of South Carolina. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the SCDNR with regard to its performance under the Agreement. The Party agrees that the SCDNR shall not be required to submit to binding arbitration or waive its right to a jury trial.

11 Sovereign Immunity: The SCDNR, as an agency of the State of South Carolina, reserves all immunities, defenses, rights or actions arising out of the State's sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State's immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the SCDNR's entry into this Agreement.

12 Defense and Indemnity: The Party shall defend the SCDNR and its officers and employees against all third party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. The SCDNR shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The SCDNR retains the right to participate at its own expense in the defense of any claim.

The Party shall indemnify the SCDNR and its officers and employees as to any damages or costs incurred, including attorneys' fees and associated costs, arising from any act or omission of the Party or an agent of the Party in connection with the performance of this Agreement.

The Party agrees that in no event shall the terms of this Agreement nor any document required by the Party in connection with its performance under this Agreement obligate the SCDNR to defend or indemnify the Party or otherwise be liable for the expenses or reimbursement, including

attorneys' fees, collection costs or other costs of the Party.

If a Party to this Agreement is a federal, state, or local governmental entity, no indemnification obligations shall arise under this provision as to that Party or SCDNR.

13 State Whistleblower Protections: A Party which is a "Public Body" under the Employment Protection for Reports of Violations of State or Federal Law or Regulation Act (S.C. Code Ann. § 8-27-10 *et seq.* (1976 & Supp. 2016)) must comply in full with the Act.

14 Risk Assessment and Monitoring: SCDNR is obligated to make a risk assessment of the Party prior to awarding federal funds and thereafter must monitor the Party for compliance. SCDNR reserves the right to modify monitoring requirements for the Party including frequency of reporting, requiring additional prior approval by SCDNR, and other protective or corrective actions. See 2 CFR Part 200.

15 Set Off: The SCDNR may set off any sums which the Party owes the SCDNR against any sums due the Party under this Agreement.

16 Child Support, Taxes, and Other Governmental Debts:

The Party understands and acknowledges that if relevant outstanding or delinquent financial obligations exist it may be subject to child support collections, tax collection, or delinquent debt setoff actions by other governmental entities pursuant to S.C. Code Ann. § 12-53-20 (2014); S.C. Code Ann. § 12-54-10, *et seq.* (2014); Setoff Debt Collection Act, S.C. Code Ann. § 12-56-10, *et seq.*; § 43-5-220(j) and other applicable laws.

17. Taxation of Purchases: All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.

18 Sub-Agreements: The Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the SCDNR. The Party must ensure that those acting under it are eligible under the terms of this Agreement. The Party shall be responsible and liable to the SCDNR for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with the Party or any subcontractor. The Party must include the provisions of this Agreement in all subagreements for work to be performed under this Agreement and any Party assigned, subcontracted, or receiving a subagreement shall be obligated to provide legally required assurances / certifications and must agree to be bound to the terms of this Agreement. The Party must present a request for a subagreement on the SCDNR Request for Approval to Subgrant/Subcontract form.

19 Freedom of Information Act: The Party acknowledges and agrees that this Agreement and any and all information obtained by the SCDNR from the Party in connection with this Agreement are subject to the South Carolina Freedom of Information Act (FOIA) (S.C. Code Ann. § 30-4-10, *et seq.* (1976 & Supp. 2016)). Additionally, the Party acknowledges that acceptance of funds from SCDNR may subject the Party to FOIA.

20. Personal Identifying Information and Safekeeping of Data: The Party also acknowledges and agrees that this Agreement and any personal information obtained by the Party in connection with this Agreement are subject to the Family Privacy Protection Act of 2002 (S.C. Code Ann. § 30-2-10, *et seq.* (1976 & Supp. 2016)). The Party must not use or disclose any individually identifying information that pursuant to this Agreement is disclosed by the SCDNR to the Party, created by the Party on behalf of the SCDNR, or used by the Party for any purpose other than to complete the work specifications of this Agreement unless such use or disclosure is required by law, or when the Party obtains permission in writing from the SCDNR to use or disclose the information and this written permission is in accordance with federal and state law. Additionally, the Party shall promptly notify SCDNR regarding any data breach, suspected data breach, or loss of data containing personal identifying information or similarly sensitive data related to this Agreement or otherwise revealing a vulnerability of the Party to such risks. See generally S.C. Code Ann. § 1-11-490; § 16-13-510; § 39-1-10, *et seq.* (1976 & Supp. 2016)

21. Force Majeure: Neither the SCDNR nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible ("Force Majeure"). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

22. Prior Approval of Press Releases / Marketing Materials: Without obtaining the prior written consent of the SCDNR, the Party shall not refer to the SCDNR in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the SCDNR. In any such communication materials, the Party must include as appropriate, an Equal Employment Opportunity statement and acknowledgement of any grant funds provided by SCDNR and/or the federal government through this Agreement.

23. Termination: In addition to any right of the SCDNR to terminate for convenience, the SCDNR may terminate this Agreement as follows:

- a. **Non-Appropriation:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the SCDNR may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a grant that is funded in whole or in part by federal funds, and in the event federal funds become unavailable or reduced, the SCDNR may suspend or cancel this Agreement immediately, and the SCDNR shall have no obligation to pay the Party from State revenues.
- b. **Termination for Cause:** Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party's notice or such longer time as the non-breaching party may specify in the notice.

24. No Implied Waiver of Remedies: A party's delay or failure to exercise any right, power

or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing signed by an authorized representative of the party to be bound.

25 Continuity of Performance: In the event of a dispute between the Party and the SCDNR, each party will continue to perform its obligations under this Agreement during the resolution of the dispute unless otherwise directed by SCDNR to suspend or stop performance or until this Agreement is terminated in accordance with its terms.

26 Security Interests and Liens: The Party is not authorized to create and shall not allow any security interests or liens upon SCDNR property and must promptly discharge any claims made to that effect by claimants of the Party.

27 Termination Assistance: Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the SCDNR. All State property, tangible and intangible, shall be returned to the SCDNR without demand and at no additional cost to the SCDNR. Such property shall be provided in good condition and in a format acceptable to the SCDNR.

28 State Facilities: If the SCDNR makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party's performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to the Party on an "AS IS, WHERE IS" basis, with no warranties whatsoever.

29 Iran Divestment Act: The Party certifies that it is not on the Iran Divestment Act List (available: <https://procurement.sc.gov/iran-divestment>). The Party agrees to notify SCDNR immediately if it is ever named on the list. The Party shall require any subcontractor associated with this Agreement to certify and comply with the same. (S.C. Code Ann. § 11-57-10, *et seq.*)

30 South Carolina Illegal Immigration Reform Act: The Party certifies that it will comply with the applicable requirements of the South Carolina Illegal Immigration and Reform Act and agrees to provide to SCDNR upon request any documentation required to establish either: (a) that S.C. Code Ann. § 8-14-10, *et seq.* is inapplicable to you and your subcontractors or sub-subcontractors; or (b) that you and your subcontractors or sub-subcontractors are in compliance with this law. The Party agrees to include in any contracts with its subcontractors language requiring your subcontractors to (a) comply with the applicable requirements of S.C. Code Ann. § 8-14-10, *et seq.*, and (b) include in their contracts with the sub-subcontractors language requiring the subsubcontractors to comply with the applicable requirements of this law.

31 Entire Agreement: This Agreement, whether in the form of a contract, state funded grant, or federally funded grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect except were expressly incorporated by reference. Furthermore, any situations requiring interpretation must frame this Agreement in the context of applicable federal and state laws and the mandatory requirements of any federal or state funding sources.

ATTACHMENT E OTHER GRANT PROVISIONS

This Other Grant Provisions (Attachment E) is to be used for establishing other Agreement terms when special terms are required by the grant program providing funds for this Agreement or if SCDNR and Subrecipient agree to other special terms which may add to or modify standard grant terms stated elsewhere in this Agreement. In all instances, these Other Grant Provisions must comply with applicable law and be agreed to by authorized representatives of SCDNR and the Subrecipient. Unless otherwise specified, these Other Provisions shall also apply to any other party acting through or on behalf of the Subrecipient.

Federal Grant #: F20AF11646

Name of Federal Grant: Anderson - Green Pond Landing Courtesy Dock & Support Power Supply

State Grant #: P24012401720

The following provisions apply in addition to those provided elsewhere in the Agreement.

1. Proof of Ownership or Control of Project Site. The Subrecipient must provide documentation to the SCDNR to demonstrate ownership (*i.e.* - copy of recorded deed and plat) or firm control (*i.e.* - copy of recorded easement or long-term lease) of the real property where the project will be located.
2. Permits and Authorizations. The Subrecipient shall be responsible for obtaining any necessary regulatory or other permit or authorization required to complete the project. The Subrecipient shall provide the SCDNR with copies of such issued permits or authorizations.
3. Design and Construction Standards. The project funded under this Agreement must be designed and constructed in compliance with applicable federal, state, and local design and construction standards and consistent with plans presented in the grant application. If a material change in design or construction is proposed, Subrecipient must be addressed as a potential amendment of this Agreement.
4. Special Requirements for Management of Facility. The useful life of this project is a period of twenty years after the facility is initially opened for public use. The Subrecipient must provide written notice to the SCDNR of the date when the facility initially opens for public use. During the useful life of the facility, the Subrecipient agrees that:
 - i. no fees will be charged to the public for use of the facility;
 - ii. the facility must be open twenty-four hours a day, seven days a week throughout the year (*i.e.* - 24/7/365) for use as a boating/fishing access facility and will remain open except during emergency conditions / natural disaster or other conditions which require temporary closure (*e.g.* repair);
 - iii. the Subrecipient will maintain the facilities in a good state of repair which includes appropriate trimming/removal of vegetation impairing use of the facility and collection and removal of trash/litter;
 - iv. the Subrecipient will inspect the facility at least twice a year for maintenance needs;
 - v. the Subrecipient will provide safety and emergency services to the public who use the facility and will ensure that the facility is regularly patrolled to ensure the safety of the public and the facility;
 - vi. the Subrecipient will erect and maintain a sign approved by the SCDNR indicating the facility is owned and operated by the Recipient with funding assistance from the SCDNR and USFWS Sport Fish Restoration Program;

SCDNR SUBRECIPIENT AGREEMENT

- vii. the SCDNR may inspect any element of the facility funded under this Agreement to confirm compliance with this Agreement; and
 - viii. if the Subrecipient receives additional federal aid for this facility prior to the running of the initial useful life period, the above conditions may be extended from the time the Subrecipient receives additional funds.
5. Reimbursement by Subrecipient. If public access is discontinued during the useful life of the facilities funded by this Agreement, the Subrecipient will be obligated to reimburse the SCDNR and/or the federal government a proportionate share of the funds provided under this Agreement, as provided under federal law.
6. Recording of Notice of Grant Agreement – The Subrecipient must record a notice of agreement referencing this Agreement, substantially in the form of the attached template. Prior to being reimbursed by the SCDNR, the Subrecipient must provide the DNR with a copy of the recorded notice instrument.

We agree to the terms set forth above as being included in the referenced Agreement.

South Carolina Department of Natural Resources


Robert H. Boyles, Jr., Director

Date: 9-28-2020

Subrecipient


Name: _____

Title: _____

Date: _____

SCDNR SUBRECIPIENT AGREEMENT

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____)

NOTICE OF GRANT AGREEMENT
([Name of Grant Program] Grant)

Notice is hereby given that [legal name of Subrecipient], a [State] [describe Subrecipient ~ state agency, county, city, charitable organization, corporation, LLC, etc.], ("Subrecipient"), with a mailing address of _____ is the owner of a certain piece or parcel of land located in _____ County, South Carolina pursuant to that deed recorded in Deed Book _____ at Page _____ and designated as tax map parcel number _____ (the "Property").

The Subrecipient received and utilized federal funds provided through the South Carolina Department of Natural Resources (SCDNR) pursuant to a _____, 20____ subrecipient agreement (Federal Grant Number: _____ / Grant Reference Number (SCDNR): _____) to _____ under the U.S. Fish and Wildlife Service's _____ Grant Program. A copy of the subrecipient agreement is kept on file at the offices of the SCDNR in Columbia, S.C.

The Subrecipient hereby confirms its commitment to the terms of the subrecipient agreement as they relate to the Property and facilities. To ensure the public benefits from use of such funds, the public use and access of the funded project must be maintained for a minimum of twenty years following the most recent receipt of federal aid. Conversion of the Property or facilities to an inconsistent use will require reimbursement of funds pursuant to the subrecipient agreement and federal law.

The terms of this Notice shall run with the title to the Property and be binding upon the Subrecipient, and its designees, successors, and assigns.

This Notice of Grant Agreement shall be incorporated by reference into any subsequent deed or other legal instrument by which the Subrecipient divests itself of any interest in all or a portion of the Property.

{ Signature Page Follows }

SCDNR SUBRECIPIENT AGREEMENT

In witness whereof, the Subrecipient has set its hand and seal this ____ day of _____,
20____ to acknowledge and affirm the terms of this Notice of Grant Agreement.

[Legal Name of Subrecipient]

BY: 

[Name, title]

Witness #1 Signature

Witness #2/Notary Public Signature

STATE OF SOUTH CAROLINA

ACKNOWLEDGMENT

COUNTY OF _____

I, _____, the undersigned Notary Public, do hereby certify that
_____, the _____ of _____, acting as the
authorized representative of and on behalf of _____, personally appeared before
me this day and acknowledged the due execution of the foregoing instrument.

Acknowledged before me this

____ day of _____, 20____.

(SEAL)

Notary Public for _____

[Notarial Seal]

My Commission Expires: _____

**TASK ORDER No. 011
FOR CONSULTING SERVICES
S&ME Project No. 4226-17-041
Anderson County, South Carolina**

The undersigned hereby accepts this Task Order and agrees that the specified services shall be performed pursuant to the terms and conditions of the existing Master Services Agreement between Anderson County and S&ME, Inc. [4226-17-041] executed February 3, 2017, pursuant to S&ME Proposal No. 42-1600947, dated December 6, 2016.

Project Location:

The project site is located at 3552 Abbeville Highway in Anderson, South Carolina, and is developed as the former Viva Tire Recycling facility. The site consists of approximately 6.51 acres of land identified as Tax Parcels 152-04-03-001, 152-04-03-002, 152-04-03-003, 152-04-03-004, 152-04-03-005, 152-04-03-006, and 152-04-01-002. Viva Recycling Upstate LLC is listed as the current owner of all seven parcels.

Scope of Services:

Please see S&ME proposal number 42-2000848 rev.1 dated September 28, 2020 for a detailed scope of work.

Schedule:

Please see S&ME proposal number 42-2000848 rev.1 dated September 28, 2020 for the project schedule.

Deliverable(s):

Please see S&ME proposal number 42-2000848 rev.1 dated September 28, 2020 for the project deliverables.

Compensation:

\$1,922,725 will be billed on a monthly cycle consistent with work performed; please see S&ME proposal number 42-2000848 rev.1 dated September 28, 2020 for a breakout of fee based on task.

For Anderson County:

Name

Title

Date

For S&ME:

Name

Title

Date

Faxed and/or digital signatures will be considered and treated as original signatures



September 28, 2020

Anderson County
101 South Main Street
Anderson, South Carolina 29624

Attention: Mr. Rusty Burns
rburns@andersoncountysc.org

Reference: **Proposal for Environmental Services
Viva Tire Site**
3552 Abbeville Highway
Anderson, South Carolina
S&ME Proposal No. 42-2000848 rev.1

Dear Mr. Burns:

S&ME, Inc. (S&ME) appreciates the opportunity to provide this revised proposal for our environmental services at the referenced property. This revised proposal is prepared based on our review of the drafted scope of work provided to Anderson County from the South Carolina Department of Health and Environmental Control (SCDHEC), and our September 23, 2020 video conference with Anderson County officials and staff. This revised proposal wholly replaces S&ME proposal number 42-2000848, dated September 18, 2020 and provides our understanding of the project and outlines our proposed scope of services, schedule, and fee. We will complete our services using the terms and conditions of the Master Service Agreement between Anderson County and S&ME.

◆ Project Information

The subject site is located on 3552 Abbeville Highway near Anderson, South Carolina. The site consists of 6.51 acres comprised of seven tax parcels identified as Anderson County parcels 152-04-01-002 (0.84 acre), 152-04-03-001 (0.73 acre), 152-04-03-002 (0.91 acre), 152-04-03-003 (1.0 acre), 152-04-004 (1.02 acres), 152-04-03-005 (1.2 acres), and 152-04-03-006 (0.77 acre). Each of the parcels is listed as being owned by Viva Recycling Upstate LLC.

A Preliminary Site Investigation was performed by LaBella in April 2019. The investigation was performed to estimate the volume of disposed tires on the site, collect limited surface soil samples in three areas of the site, and to estimate the cost of removal and disposal of tires and site restoration. The assessment estimated a total of 1,900 tons of discarded tires above ground surface and 5,000 tons of tires buried at the site. Site restoration costs were estimated to range between \$1.4 million for the surface restoration, up to \$6.5 million for surface and subsurface restoration. The costs were limited to removal and disposal of tires and did not estimate additional costs associated with, assessment and remediation of potential environmental impacts related to past site operations, or demolition and disposal of structures.

S&ME conducted a Phase I Environmental Site Assessment (ESA) of the property in April 2020. From that assessment, we have assisted Anderson County with presenting information to SCDHEC related to the potential



impacts to the property and surrounding community as result of the tire debris, as well as other potential environmental concerns including several fires at the property.

As we understand, Anderson County wishes to initiate cleanup activities to reduce further impacts to the site and surrounding areas. Presented below are our proposed services to accomplish this task.

♦ Scope of Services

Task I – Project Development, Scoping, and Kick-Off Meeting

Throughout our involvement with this project, we have worked with Anderson County to develop and scope various tasks related to the removal and disposal of above grade and surface tires. Part of our work included meeting with our subcontractor to evaluate logistical considerations and disposal alternatives.

Upon acceptance of this proposal through execution of the accompanying Task Order, we propose to conduct a project kick-off meeting. The meeting will include representatives from Anderson County and S&ME. The goal of the meeting is to establish and document the project objectives, benchmarks, means and methods, and final deliverables to be produced at the conclusion of this phase of the project.

Task II – Work Plan Development

As specified in the September 18, 2020 e-mail from SCDHEC to Anderson, a work plan for the removal and recycling or deposition of the above grade and surface tires will be required. The work plan must be submitted to SCDHEC for review, comment, and approval prior to initiating any on-site activities. Components of the work plan must include the following:

- Description and rationale for prioritization of tasks;
- Disposition location(s) for tire and tire materials;
- Identification of key personnel and contractors involved with the project;
- Fee estimates including unit rates for the tasks to be conducted; and
- A project schedule for completion of the removal of tires and tire materials.

Task III – Health and Safety Plan and Storm Water Pollution Prevention Plan Development

Prior to the development of the site-specific health and safety plan (HASP), up to eight soil samples will be collected throughout site from the ground surface to an approximate depth of one foot and analyzed for volatile organic compounds (VOCs); semi-volatile organic compounds (SVOCs); and RCRA metals. These soil sample analytical results will be used to determine acceptable exposure limits during execution of the site cleanup work and appropriate protective measures for incorporation into the HASP.

In addition to the soil conditions noted above, certain health and safety risks are associated with a project of this type. We propose to develop a site-specific health and safety plan (HASP) that will be used for the on-site activities. The HASP will be developed and prepared by members of our project team including but not limited to the client manager, project manager, Certified Industrial Hygienist (CIH), and Certified Safety Professional (CSP).



The HASP will comply with all SOPs required by Plantation Pipeline as they relate to work within their Rights-of-Way. Once completed, the HASP will be reviewed by the CIH, CSP, and a Fire Protection Engineer (FPE).

The HASP will be presented to the members of the on-site activities team for their review. Any questions regarding the HASP will be addressed by the project manager and/or the regional safety director in coordination with the CIH/CSP.

The HASP will be reviewed during project mobilization and prior to the start of site work each day. Unforeseen conditions are bound to occur on a project of this size. As these unforeseen conditions may relate to health and safety, the HASP will be amended as appropriate.

Since some level of land disturbance will be required to remove the tires and tire debris, a storm water pollution prevention plan (SWPPP) will be prepared by a South Carolina licensed professional engineer. Once approved by SCDHEC and Anderson County, weekly Stormwater Pollution Prevention Plan (SWPPP) inspections will be performed by a certified erosion prevention and sediment control inspector (CEPSCI) until site stabilization has been achieved.

Task IV – Coordination of Petroleum Pipeline Owner

From our previous site visits, we know that an underground petroleum pipeline crosses the northern portion of the project site. From our experience with pipeline owners, we anticipate they will have specific requirements for site work in the vicinity of the pipeline and associated right-of-way. We will coordinate with the pipeline owners to develop work procedures that comply with their requirements. We anticipate the pipeline owners will require a third-party observer during work activities that are performed within the pipeline right-of-way.

Task V – Project Mobilization/Setup and Site Security

Once Tasks I, II, and III are completed, we and our subcontractor will mobilize the necessary equipment and personnel to the site to accomplish the project objectives. Support and staging areas will be established to aid in the removal of the tires. Storm water management devices will also be installed during this phase of the project. Dust suppression will be accomplished by applying water to non-vegetated areas with a water truck. In addition, periodic dust monitoring will be conducted.

The site is currently not secured. We propose to secure the site using temporary fencing and off-duty law enforcement officers to monitor the site during non-working hours.

Task VI – On-site Cleanup Activities

On-site cleanup activities will include the following subtasks:

- Subtask 1 – Tire Removal, Recycling, and Disposition
- Subtask 2 – Staging, Characterization, and Disposal of Non-tire Waste Materials
- Subtask 3 – Site Stabilization and De-mobilization

Our proposal includes on-site representation during the performance of each of these subtasks to observe, record, coordinate, and collect data to document the cleanup activities.



Subtask 1- Tire Removal, Recycling, and Disposition

From previous site visits, we have tentatively identified five areas of the site where whole tires and/or portions of tires are located. These five areas include:

- Area One – former service shop on the eastern portion of the site
- Area Two – parcel number 152-04-03-004
- Area Three – parcel numbers 152-04-03-001, 152-04-03-002, and 152-04-03-003
- Area Four – former shredder and surrounding area on the western portion of the site
- Area Five – surrounding property not included in the other four areas.

Whole tires and tire materials will be removed and transported off-site for recycling at an approved tire recycling facility. Please note that recycling of whole tires and tire materials is dependent on acceptance by the recycling facility. Transportation manifests and recycling/disposal facility weight tickets will be maintained to document the tire removal work.

Subtask 2 – Staging, Characterization, and Disposal of Non-tire Waste

From the Phase I ESA completed in April 2020, we know there is a variety of non-tire waste (drums, pails, oily stained soils, etc.) on the site and anticipate encountering additional materials of this type as the tires are removed. These non-tire wastes will be segregated by type and similar appearance/contents and sampled for disposal characterization. Based on the characterization results, the materials will be transported off-site and properly disposed. We are assuming that none of these non-tire wastes will be characterized as a hazardous waste. If that is not the case, we will contact Anderson County and SCDHEC immediately for further instructions.

Subtask 3 – Site Stabilization and De-mobilization

Following the completion of subtasks 1 and 2, the ground surface of the site will be rough graded and stabilized per the specifications listed in the SWPPP. SWPPP inspections will continue until the stabilization criteria listed in the SWPPP are met.

Task VII – Project Documentation and Reporting

At the conclusion of Tasks I through VI, we will prepare a report of the site restoration activities completed at the site. Supporting documentation including transportation manifests, disposal facility weight tickets, laboratory reports, SWPPP inspection reports, photographs, aerial imagery, and other relevant information will be included in the final report. A bound paper copy of the report will be provided along with a portable document format (pdf) version.

◆ Excluded Services

Without attempting to be a complete list or description of all services or potential services excluded from this proposal and not performed by S&ME, the following services are specifically excluded:

- Assessment and abatement of hazardous building materials;
- Demolition related services for the demolition of on-site structures;



Proposal for Environmental Services

Viva Tire Site

Anderson, South Carolina

S&ME Proposal No. 42-2000848 rev.1

- Delineation, excavation and disposal of buried tires;
- Assessment of possible environmental impact to the site from previous site uses and recent fire-fighting activities;
- Disposal of hazardous wastes; and
- Remediation of possible environmental impacts.

Based on our knowledge, the potential impact of the buried tires represents another significant hazard in addition to the surface tires and debris. Potential soil, groundwater, and surface water contamination may present a hazard both on and off the site. Additional requirements such as a complete assessment of soil and groundwater, demolition of structures, and defining the extent of the subsurface debris by means of geophysical penetrating radar will be necessary prior to removal of subsurface debris and site stabilization. Although these services are not included in this scope of work, we are capable and ready to assist Anderson County with these tasks. Upon request, we can provide proposals and budgets for determining the impact the tires have had on and off the site, and the removal of the buried tires.

◆ Limitations and Exceptions

This proposal is solely intended for the Basic Services as described in the Scope of Services. The Scope of Services may not be modified or amended, unless the changes are first agreed to in writing by the Client and S&ME. Use of this proposal and corresponding final report is limited to above-referenced project and client. No other use is authorized by S&ME, Inc.

◆ Client Responsibilities

Anderson County is responsible for providing the following:

- Fully executed Task Order;
- Access to the site;
- Communication and/or coordination with the surrounding community; and
- Communication and/or coordination with Anderson County Departments and/or Agencies that may have an interest in the project.

◆ Schedule

Based on our understanding of the site and current conditions, we are estimating the work and services described above can be completed within four to five months from execution of the attached Task Order 011.



Proposal for Environmental Services
Viva Tire Site
Anderson, South Carolina
S&ME Proposal No. 42-2000848 rev.

Fee

We propose the following fees:

• Task I: Project Development	\$ 23,000
• Task II: Work Plan	\$ 17,850
• Task III: HASP and Stormwater Plan	\$ 18,850
• Task IV: Coordination with Pipeline Owner	\$ 13,250
• Task V: Mob and Site Security	\$ 74,668
• Task VI: Cleanup Activities	\$1,749,407
• Task VII: Project Reporting	\$ 25,700

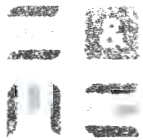
Total Project Estimate \$1,922,725*

**NOTE: Fee Estimate with specific task and individual cost breakout is available upon request*

Please note that our fee estimate is based on the assumption that the recycling facility will accept whole tires and the tire pieces, which make up the majority of the on-site material. Should that not be the case or should Anderson County wish to recycle whole tires only, then we will provide a revised fee estimate as needed or as requested.

Authorization

We will complete our services using the terms and conditions of the Master Service Agreement between Anderson County and S&ME. Please indicate your acceptance by signing and returning the attached Task Order Number 011.



Proposal for Environmental Services

Viva Tire Site

Anderson, South Carolina

S&ME Proposal No. 42-2000848 rev. 1

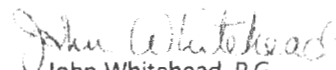
Closing Remarks

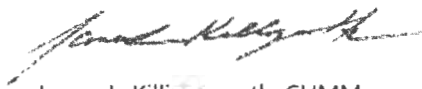
S&ME appreciates the opportunity to provide Anderson County with our environmental services. Should you have any questions, please contact us at (864) 297-9944.

Sincerely,

S&ME, Inc.


Jacob Foose, RF
Project/Client Manager
jfoose@smeinc.com


John Whitehead, P.G.
Senior Professional
jwhitehead@smeinc.com


James L. Killingsworth, CHMM
Area Manager/Vice President
jkillingsworth@smeinc.com

Enclosures: Task Order Number 011

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**STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR ANDERSON COUNTY**

ORDINANCE NO 2020-020

AN ORDINANCE TO ADOPT THE OPERATING AND CAPITAL BUDGETS OF ANDERSON COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2020, AND ENDING JUNE 30, 2021, AND TO MAKE APPROPRIATIONS FOR SUCH ANDERSON COUNTY BUDGETS FOR COUNTY ORDINARY PURPOSES AND FOR OTHER COUNTY PURPOSES FOR WHICH THE COUNTY MAY LEVY A TAX OTHER THAN FOR TRI-COUNTY TECHNICAL COLLEGE PURPOSES; TO PROVIDE FOR THE LEVY OF TAXES ON ALL TAXABLE PERSONAL AND REAL ESTATE PROPERTIES IN ANDERSON COUNTY FOR SUCH COUNTY ORDINARY PURPOSES, INCLUDING SUFFICIENT TAX TO PAY THE PRINCIPAL AND INTEREST ON OUTSTANDING INDEBTEDNESS OF ANDERSON COUNTY MATURING DURING SAID FISCAL YEAR; TO ADOPT THE OPERATING AND CAPITAL BUDGETS OF ANDERSON COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2020, AND ENDING JUNE 30, 2021, AND TO MAKE APPROPRIATIONS FOR SUCH ANDERSON COUNTY BUDGETS, FOR TRI-COUNTY TECHNICAL COLLEGE; TO PROVIDE FOR THE LEVY OF TAXES ON ALL PERSONAL AND REAL PROPERTIES IN ANDERSON COUNTY ON WHICH SCHOOL TAXES MAY BE LEVIED FOR SUCH TRI-COUNTY TECHNICAL COLLEGE PURPOSES; TO PROVIDE FOR THE LEVY, ASSESSMENT AND COLLECTION OF CERTAIN OTHER TAXES AND FEES; TO PROVIDE FOR THE EXPENDITURE OF SAID TAXES AND OTHER REVENUES COMING TO THE COUNTY DURING SAID FISCAL YEAR; AND TO PROVIDE FOR OTHER MATTERS RELATING TO ANDERSON COUNTY.

BE IT ENACTED by the County Council for Anderson County, South Carolina ("Anderson County"), as follows:

The following operating and capital budgets for Anderson County for the fiscal year beginning July 1, 2020, and ending June 30, 2021, are hereby adopted and directed to be implemented by the Anderson County Administrator and staff.

SECTION I-ADOPTION OF OPERATING AND CAPITAL BUDGETS FOR COUNTY ORDINARY AND OTHER PURPOSES

Pursuant to Section 4-9-140 of the South Carolina Code of Laws, 1976, as amended (the "Code"), the operating and capital budgets of Anderson County (the "Anderson County Budgets"), for County ordinary purposes and for other County purposes for which the County may levy a tax other than for Tri-County Technical College purposes, as hereinafter set forth, by reference and otherwise, are hereby adopted for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

SECTION II-LEVYING OF A SUFFICIENT TAX FOR COUNTY ORDINARY AND OTHER PURPOSES

A tax of sufficient millage to fund the appropriations for the Anderson County Budgets, herein made, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, after crediting against such appropriations all other revenue anticipated to accrue to Anderson County during said fiscal year, not designated for any other specific purpose, is hereby directed to be levied upon all taxable property of Anderson County upon which the County may levy County ordinary taxes, for County ordinary purposes and for other County purposes for which the County may levy a tax, other than for the Anderson County Library, Tri-County Technical College purposes, County sewer, Countywide Emergency Medical Service, Solid Waste fees, Sewer fees, Civic Center fees, Animal Shelter fees, 9-1-1 tariffs, and road encroachment fees, all as separately levied in this Ordinance, such tax to fund the following amounts or millage, which shall be separately identified, levied, collected, and accounted for, as millage, for the purposes shown, as required by subsequent sections of this Ordinance (excluding Fee-In-Lieu of Taxes), with the total millage so levied, exclusive of debt service millage to be set by the Anderson County Auditor, not to exceed 82.7 mills. This Ordinance shall serve as Anderson County Council's written certification to the Anderson County Auditor required under Section 12-43-285 of the South Carolina Code of Laws (1976, as amended).

County Ordinary	\$46,200,000	64.0 Mills
2007 General Obligation Bonds	\$710,000	0.9 Mills*
2008 General Obligation Bonds	\$735,000	1.1 Mills*

*Debt service levies are statutorily set by the Auditor in the fall. This is an estimate for budget purposes.

Other taxes and uniform assessments levied by this Ordinance are:

Anderson County Library	\$4,870,000	6.9 Mills
Infrastructure Reserve Fund	\$1,015,000	1.4 Mills
Capital Fund	\$2,675,000	3.8 Mills
Tri-County Technical College	\$2,850,000	4.1 Mills
Anderson County Sewer	\$1,745,000	3.0 Mills
County EMS	\$4,650,000	6.6 Mills
Solid Waste/Recycling Fees	As set in Section XV	\$71.68 per household \$82.49 per commercial
Sewer Fees	As set in Section XVI	
Civic Center Fees	As set in Section XXXIV	
Animal Shelter Fees	As set in Section XXXV	
911 Tariff	As set in Section XXXVII	
Road Encroachment Fees	As set in Section XXXVIII	

SECTION III-GENERAL FUND APPROPRIATIONS AND REVENUES

There is hereby appropriated, with the detail and the provisos as so stated in the Anderson County Budget Book, hereby incorporated by reference as a part of this Ordinance as fully as if set forth verbatim herein, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, the

following sums of money in the amounts and for the purposes set forth as follows, with the anticipated revenues to be applied thereto as reflected herein:

GENERAL FUND APPROPRIATIONS

<u>FUNCTION</u>	<u>AMOUNT APPROPRIATED</u>
County Government Administration	\$26,954,095
Health and Welfare	3,141,870
Public Safety	39,877,805
Public Works	9,575,895
Culture and Recreation	2,979,890
Transfer Out	1,092,755
Contingency	<u>225,225</u>
Total Appropriations-General Fund	<u>\$83,847,535</u>

GENERAL FUND REVENUE

LOCAL SOURCES-4100

100-101	Property Taxes-RPC Current	\$39,800,000
100-102	Property Taxes-RPC Delinquent	2,500,000
100-103	Property Taxes-Vehicles	6,400,000
100-105	Property Taxes-Fee-In-Lieu of Taxes	2,850,000
000-115	Concessions-Civic Center	5,000
000-140	Rent of Property-Civic Center	80,000
000-180	Vendor Fees	3,000
001-105	Baseball-Sports Complex	3,500
001-106	Soccer-Sports Complex	10,000
001-107	Softball-Sports Complex	5,000
001-108	Tennis-Sports Complex	250
001-115	Concessions-Sports Complex	8,400
001-125	Rental-Sports Complex	2,500
003-140	Rental-Amphitheatre	8,000
200-110	Fees/Fines-Court Division	120,000
200-120	Fees/Fines-Family Court	420,000
200-121	Fees/Fines-Family Court Filing Fees	12,000
200-125	Fees/Fines-Worthless Check Unit	8,000
200-135	Fees/Fines-Register of Deeds	1,800,000
200-140	Fees/Fines-Judge of Probate	385,000
200-150	Fees/Fines-Master-in-Equity	135,000
200-155	Fees/Fines-Sheriff	25,000
200-158	Fees/Fines-Magistrates	800,000
200-162	Decal Fees	150,000
200-163	City of Anderson-Forensics	44,000
200-164	Fees-Coroner	4,000
200-165	Oconee County Master-in-Equity	36,055
200-166	Oconee County Drug Lab Match	48,525
200-168	Medical Examiner Reimbursement	120,000
200-169	Local Contributions-TCTC	50,000
200-175	School Crossing Guards	165,000

200-176	School Resource Officers	2,100,000
300-105	Fees-Animal Shelter	75,000
300-110	Fees-Cablevision Franchise	1,620,000
300-120	Fees-Maps and Plats	40,000
300-125	Fees-Municipal Collection	30,000
300-132	Fees-Delinquent Tax Posting Fee	20,000
300-140	Permits-Building	1,000,000
300-145	Permits-Electrical	250,000
300-150	Permits-Heating and Air	140,000
300-155	Permits-Land Use	120,000
300-157	Fees-Plan Reviews	120,000
300-158	Fees-Driveway Aprons	70,000
300-160	Permits-Plumbing	125,000
300-165	Permits/License-Mobile Homes	40,000
300-174	Permits-Encroachment	30,000
300-180	Fees-Re-inspections	5,000
300-181	Sex Offender Registry	16,000
300-182	Inspections-Engineering	32,000
300-190	Miscellaneous	85,000
400-160	Library Security Reimbursement	105,000
600-140	Rent of Property	450,000
600-143	Booth Rental-Farmer's Market	2,500
600-144	Farmer's Market-Event Rental	3,000
600-145	Broadway Lake Rental	20,000
900-120	Interest Income	500,000
3700-000-101	Fund Balance	<u>8,236,070</u>
	Total Amount of Local	<u>71,232,800</u>
STATE SOURCES-4200		
400-218	Flood Control	140,000
400-220	Health and Environmental	10,000
500-115	Registration and Elections	212,500
500-125	Local Government Fund	7,584,040
500-135	Merchants Inventory	273,260
500-150	Homestead Exemption	2,300,000
500-160	Salary Assistance	<u>7,875</u>
	Total Amount of State	<u>10,527,675</u>
FEDERAL SOURCES-4300		
500-150	Corps of Engineers	92,500
500-165	DSS Reimbursement	<u>100,000</u>
	Total Amount of Federal	<u>192,500</u>
TRANSFER IN-6400		
100-168	Transfer In-Documentary	400,000
100-175	Transfer In-State ATAX	41,250
100-177	Transfer In-Economic Development	<u>1,453,310</u>
	Total Amount of Transfer In	<u>1,894,560</u>
	Total Revenue-General Fund	<u>\$83,847,535</u>

No amount of the Local Government Fund revenue shall be used for lobbying purposes.

SECTION IV-SPECIAL REVENUE FUND APPROPRIATIONS AND REVENUES

There is hereby appropriated, with the detail and the provisos as so stated in the Anderson County Budget Book, hereby incorporated by reference as a part of this Ordinance as fully as if set forth verbatim herein, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, the following sums of money in the amounts and for the purposes set forth as follows, with the anticipated revenues to be applied thereto as reflected herein:

SPECIAL REVENUE FUND APPROPRIATIONS	
Total Appropriated	<u>\$45,507,965</u>

SPECIAL REVENUE FUND REVENUE		
<u>Special Revenue Funds Other Than Sheriff's Office</u>		
102	Grants-Local Contributions	\$3,011,150
	State Grants	512,500
	Fund Balance	58,905
103	Museum Store	11,000
106	Clerk of Court-Bondsmen-Local Contributions	7,000
	Fund Balance	7,500
108	Water Recreation-State Grants	210,230
	Transfer In-Capital Projects	504,770
114	Public Defender-Local Contributions	200,000
	State Revenue	1,300,000
	Municipal Funding	55,000
	Transfer In-General Fund	376,200
	Fund Balance	288,010
117	TTI-Local Contributions	70,000
118	HOME Program-Federal Grant	845,000
	Transfer In-General Fund	130,000
125	Assessor Mapping Project-Fund Balance	19,180
126	Textile Communities Revitalization-Transfer In-General Fund	50,000
127	CDBG Rehabilitation-Federal Grant	750,000
	Transfer In-General Fund	100,000
133	Senior Citizens Grant	84,490
137	Transportation Committee-Fund Balance	300
	Transfer In-"C" Funds	2,000
139	"C" Funds	4,100,000
	Fund Balance	4,752,000
	Transfer In-Infrastructure	150,000
140	Tri-County Technical College-Millage	2,850,000
	Delinquent Taxes	95,000
	Fee-In-Lieu of Taxes	175,000
	Merchants Inventory	10,225
	Homestead Exemption	142,900
	Fund Balance	(89,525)

142	Airport	1,626,355
143	Anderson County Library-Millage	4,870,000
	Delinquent Taxes	175,000
	Fee-In-Lieu of Taxes	300,000
	Homestead Exemption	240,700
	Fund Balance	196,285
145	Re-Entry Navigator Grant-Local Contributions	129,585
150	Title IV-D/Family Court-Incentive Payments	501,790
152	DSS Incentive Payments	35,000
	Fund Balance	40,000
156	Victim Bill of Rights	148,710
	Transfer In-General Fund	116,160
157	Victims of Crime Act Grant	160,750
	Transfer In-General Fund	33,610
163	HAZMAT-Local Contributions	50,000
	Fund Balance	24,975
165	Federal Emergency Management Agency-Federal Grant	604,345
168	Documentary Stamps	3,000,000
	Fund Balance	400,000
173	Detention Center Canteen-Concessions	230,000
	Transfer In-2020 Software Lease	323,765
	Fund Balance	(794,885)
174	E-911 Revenues	1,772,250
	Transfer In-2020 Lease-Software	323,765
	Fund Balance	(792,485)
175	State Accommodation Tax	350,000
176	Infrastructure-Transfer In-Infrastructure Reserve	375,000
177	County Accommodations Tax	725,000
	Fund Balance	300,000
180	PARD/Recreation-State Grants	75,000
	Transfer In-General Fund	12,500
181	Office of Justice Programs-Federal Grant	196,605
	Transfer In-General Fund	7,960
191	Duke Energy-EPD	15,000
	Fund Balance	49,125
193	EMS-Millage	4,650,000
	Delinquent Taxes	170,000
	Fee-In-Lieu of Taxes	280,000
	State Grant	16,000
	Homestead Exemption	230,265
	Fund Balance	107,625
194	Animal Shelter Donations	30,000
	Fund Balance	185,500
195	Sheriff Forfeiture Fund	400,000
	Fund Balance	100,000

196	Infrastructure Reserve Fund-Millage	1,015,000
	Delinquent Taxes	35,000
	Fee-In-Lieu of Taxes	44,000
	Homestead Exemption	48,800
	Fund Balance	1,006,455
198	Sheriff Forfeiture Non-Drug Fund	30,000
	Fund Balance	87,500
	Total Special Revenue Fund Revenue	<u>\$45,507,965</u>

SECTION V-DEBT SERVICE AND OTHER FINANCING APPROPRIATIONS AND REVENUES

There is hereby appropriated, with the detail and the provisos as so stated in the Anderson County Budget Book, hereby incorporated by reference as a part of this Ordinance as fully as if set forth verbatim herein, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, the following sums of money in the amounts and for the purposes set forth as follows, with the anticipated revenues to be applied thereto as reflected herein:

GENERAL OBLIGATION BOND DEBT SERVICE APPROPRIATIONS

<u>BOND</u>	<u>APPROPRIATED</u>
2007 General Obligation Bond	\$831,000
2008 General Obligation Bond	883,405
2019 General Obligation Bond	<u>200,000</u>
Total General Obligation Bond Debt Service Appropriated	<u>\$1,914,405</u>

GENERAL OBLIGATION BOND DEBT SERVICE REVENUE

<u>SOURCE OF REVENUE</u>	<u>AMOUNT</u>
Property taxes	\$1,499,000
Fee-In-Lieu of Taxes	87,000
Merchants Inventory	74,800
Homestead Exemption	73,300
Transfer In-Capital Projects	200,000
Fund Balance	<u>(19,695)</u>
Total General Obligation Bond Debt Service Revenue	<u>\$1,914,405</u>

REVENUE BOND DEBT SERVICE APPROPRIATIONS

<u>BOND</u>	<u>APPROPRIATED</u>
Special Source Revenue Bonds	<u>\$1,250,540</u>
Total Revenue Bond Debt Service Appropriated	<u>\$1,250,450</u>

REVENUE BOND DEBT SERVICE REVENUE

<u>SOURCE OF REVENUE</u>	<u>AMOUNT</u>
Transfer In-Economic Development Fund	<u>\$1,250,540</u>
Total Revenue Bond Debt Service Revenue	<u>\$1,250,540</u>

SPECIAL TAX DISTRICT APPROPRIATIONS

SPECIAL TAX DISTRICT	AMOUNT
Cedar Glen	\$11,000
Hidden Brooks	7,975
Knight's Bridge	5,840
Supreme Industrial Park	7,510
Ashwood Subdivision	7,935
Sharen Ridge	8,745
The Farm	<u>5,160</u>
Total Special Tax District Appropriations	<u>\$54,165</u>

SPECIAL TAX DISTRICT REVENUE

SOURCE OF REVENUE	AMOUNT
Special Tax District Fees	<u>\$54,165</u>
Total Special Tax District Revenue	<u>\$54,165</u>

LEASE PURCHASE FINANCINGS ANNUAL APPROPRIATIONS

Equipment Lease Purchase	
Total Lease Purchase Financings Annual Appropriations	<u>\$2,714,820</u>
Total Lease Purchase Financings Annual Appropriations	<u>\$2,714,820</u>

LEASE PURCHASE FINANCINGS REVENUE

<u>SOURCE OF REVENUE</u>	<u>AMOUNT</u>
Transfer In-General Fund	\$41,325
Transfer In-E-911	12,465
Transfer In-Infrastructure Reserve Fund	706,070
Transfer In-Capital	<u>1,954,960</u>
Total Lease Purchase Financings Revenue	<u>\$2,714,820</u>
Total Debt Service and Other Financings Appropriations	<u>\$5,933,930</u>
Total Debt Service and Other Financings Revenue	<u>\$5,933,930</u>

To the extent that any monies remain in any debt service funds of the County, upon complete satisfaction of the debt for which such funds were collected, the County Administrator may transfer all such excess and otherwise unused funds to, and utilize such funds for any other Anderson County debt service fund which has been lawfully created by Anderson County Council to pay debt service on any lawful debt obligation of the County. Further, to the extent that any monies remain in the capital project accounts of the County, upon complete satisfaction of the stated purposes for which such funds were initially authorized, the County Administrator may transfer all such excess and otherwise unused funds to, and utilize such funds for any other Anderson County activity or purpose which has been duly authorized by Anderson County Council and for which debt funds of the County may be lawfully used.

SECTION VI-CAPITAL PROJECTS FUNDS APPROPRIATIONS AND REVENUES

There is hereby appropriated, with the detail and the provisos as so stated in the Anderson County Budget Book, hereby incorporated by reference as a part of this Ordinance as fully as if set forth verbatim herein, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, the following sums of money in the amounts and for the purposes set forth as follows, with the anticipated revenues to be applied thereto as reflected herein:

CAPITAL PROJECTS FUNDS APPROPRIATIONS

<u>FUND</u>	<u>ACTIVITY</u>	<u>APPROPRIATED</u>
312	Green Pond Landing Event Center	\$1,500,000
317	TTI Building	885,000
319	2019 General Obligation Bond	9,418,185
320	2020 Lease-Software	1,268,700
346	2018 SSRB	10,000,000
360	Capital Reserve Fund	7,421,865
368	Economic Development	<u>2,703,850</u>
Total Capital Funds Appropriations		<u>\$33,197,600</u>

CAPITAL PROJECTS FUNDS REVENUES

<u>FUND</u>	<u>SOURCE OF REVENUE</u>	<u>AMOUNT</u>
312	Green Pond-State Grant	\$1,500,000
317	TTI Building-Federal Grant	885,000
319	2020 General Obligation Bond	8,500,000
	Transfer In-Infrastructure	918,185
320	2020 Lease-Software-Fund Balance	1,268,700
346	Special Source Revenue Bond-Fund Balance	10,000,000
360	Capital Reserve Fund-Property Taxes	2,675,000
	Delinquent Property Taxes	85,000
	Fee-In-Lieu of Taxes	115,130
	Interest	60,000
	Homestead Exemption	132,120
	Sale of Capital	200,000
	Insurance Proceeds	65,000
	Transfer In-General Fund	225,000
	Transfer In-2020 Lease-Software	944,935
	Fund Balance	2,919,680
368	Economic Development-Property Taxes	995,225
	Fee-In-Lieu of Taxes	1,725,000
	Fund Balance	<u>(16,375)</u>
Total Capital Funds Revenue		<u>\$33,197,600</u>

SECTION VII-ENTERPRISE FUNDS APPROPRIATIONS AND REVENUES

There is hereby appropriated, with the detail and the provisos as so stated in the Anderson County Budget Book, hereby incorporated by reference as a part of this Ordinance as fully as if set forth verbatim herein, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, the following sums of money in the amounts and for the purposes set forth as follows, with the anticipated revenues to be applied thereto as reflected herein; provided, however that to the extent, only, that revenues for Enterprise Fund activities exceed the revenue projections shown below, the Appropriations shown for Enterprise Funds herein may be adjusted by the Administrator to match the increased revenues, subject to the requirements of Section XXVIII, hereof. Provided, further, that the Administrator is authorized to write off, discharge, or otherwise adjust uncollectible and otherwise unenforceable debt owed to the enterprise funds of the county, utilizing the same standards used by the Anderson County Treasurer to adjust nulla bona debt of the County.

ENTERPRISE FUNDS APPROPRIATIONS

<u>ACTIVITY</u>	<u>APPROPRIATED</u>
Sewer	\$9,959,240
Stormwater	742,385
Solid Waste/Recycling	7,915,520
Total Enterprise Funds Appropriations	<u>\$18,617,145</u>

ENTERPRISE FUNDS REVENUES

<u>REVENUES</u>	<u>AMOUNT</u>
Sewer Property Taxes, State Revenue, Fees & Interest	\$8,814,155
Sewer-Federal Grant	500,000
Sewer-Fund Balance	645,085
Stormwater-Fees	155,315
Stormwater-Transfer In from Sewer	587,070
Solid Waste/Recycling	7,500,150
Solid Waste/Recycling State Grant	220,195
Solid Waste Fund Balance	195,175
Total Enterprise Funds Revenues	<u>\$18,617,145</u>

SECTION VIII-LEVYING OF A SUFFICIENT TAX FOR ANDERSON COUNTY LIBRARY PURPOSES

A tax of sufficient millage to fund the appropriations in the amount of \$4,870,000 (excluding delinquent taxes totaling approximately \$175,000, fee-in-lieu of taxes totaling approximately \$300,000, homestead exemption totaling approximately \$240,700 and usage of fund balance totaling approximately \$196,285), for the Anderson County Library budgets, herein made, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, is hereby directed to be levied on all personal and real property in Anderson County, and shall be identified as such on Anderson County tax bills. To the extent such levy results in excess revenues, above those stated above, all such revenues shall be placed and maintained in the Anderson County Library fund balance. Any funds in the Anderson County Library fund balance at any point in time in excess of those required for the Anderson County Library budgets herein made, may be utilized by the Anderson County Library Board of Trustees; provided, however, the expenditures of said surplus funds shall never exceed the amount of the most recent approved budget of the Library. There shall be credited against said appropriations all other revenues anticipated to accrue to Anderson County during said year for Anderson County Library. All such taxes and other revenues shall be levied, collected, deposited, disbursed and accounted for in the Anderson County Library Fund, with a specific levy and account for the library appropriation category listed herein.

SECTION IX-ANDERSON COUNTY LIBRARY FUND APPROPRIATIONS AND REVENUES

There is hereby appropriated, with the detail and the provisos as so stated in the Anderson County Budget Book, hereby incorporated by reference as a part of this Ordinance as fully as if set forth verbatim herein, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, the following sums of money in the amounts and for the purposes set forth as follows, with the anticipated revenues to be applied thereto as reflected herein:

ANDERSON COUNTY LIBRARY FUND APPROPRIATIONS

<u>ACTIVITY</u>	<u>APPROPRIATED</u>
Anderson County Library Fund	<u>\$5,781,985</u>
Total Anderson County Library Fund Appropriations	<u>\$5,781,985</u>

ANDERSON COUNTY LIBRARY FUND APPROPRIATIONS

<u>SOURCE OF REVENUE</u>	<u>AMOUNT</u>
Property Taxes	\$4,870,000
Delinquent Taxes	175,000
Fee-In-Lieu of Taxes	300,000
Homestead Exemption	240,700
Fund Balance	<u>196,285</u>
Total Anderson County Library Fund Revenue	<u>\$5,781,985</u>

The Anderson County Auditor is hereby directed to levy as separately identified County ordinary millage and the Anderson County Treasurer hereby directed to collect, disburse monthly (if funds are available), and account for as a separate fund the sums identified herein for the Anderson County Library Fund.

SECTION X-ADOPTION OF OPERATING AND CAPITAL BUDGETS FOR TRI-COUNTY TECHNICAL COLLEGE PURPOSES

Pursuant to Section 4-9-70 of the Code, the operating and capital budgets of Anderson County specifically for Tri-County Technical College as hereinafter set forth, by reference and otherwise, are hereby adopted for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

SECTION XI-LEVYING OF A SUFFICIENT TAX FOR TRI-COUNTY TECHNICAL COLLEGE PURPOSES

A tax of sufficient millage to fund the appropriations in the amount of **\$2,850,000** (excluding delinquent taxes totaling approximately \$95,000, fee-in-lieu of payments totaling approximately \$175,000, merchants inventory payments totaling \$10,225, homestead exemption payments totaling \$142,900, and addition to fund balance totaling approximately \$89,525) for the Tri-County Technical College Budgets, herein made, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, is hereby directed to be levied on all personal and real property in Anderson County on which school taxes may be levied, and shall be identified as such on Anderson County tax bills. To the extent such levy results in excess revenues, above those stated above, all such revenues shall be placed and maintained in the Tri-County Technical College fund balance. There shall be credited against said appropriations all other revenues anticipated to accrue to Anderson County during said year for Tri-County Technical College. All such taxes and other revenues shall be levied, collected, deposited, disbursed and accounted for in the Tri-County Technical College Fund, with a specific levy and account for the special education appropriation category listed herein.

SECTION XII. TRI-COUNTY TECHNICAL COLLEGE FUND APPROPRIATIONS AND REVENUES

There is hereby appropriated, with the detail and the provisos as so stated in the Anderson County Budget Book, hereby incorporated by reference as a part of this Ordinance as fully as if set forth verbatim herein, for the fiscal year beginning July 1, 2020 and ending June 30, 2021, the following sums of money in the amounts and for the purposes set forth as follows, with the anticipated revenues to be applied thereto as reflected herein:

TRI-COUNTY TECHNICAL COLLEGE APPROPRIATIONS

<u>ACTIVITY</u>	<u>APPROPRIATED</u>
Tri-County Technical College	<u>\$3,183,600</u>
Total Tri-County Technical College Appropriations	<u>\$3,183,600</u>

TRI-COUNTY TECHNICAL COLLEGE REVENUES

<u>SOURCE OF REVENUE</u>	<u>AMOUNT</u>
Property Taxes	\$2,850,000
Delinquent Taxes	95,000
Fee-In-Lieu of Taxes	175,000
Merchants Inventory	10,225
Homestead Exemption	142,900
Fund Balance	(89,525)
Total Tri-County Technical College Revenues	<u>\$3,183,600</u>

SECTION XIII-TAX FOR ANDERSON COUNTY SEWER

There is hereby directed to be levied a tax of three (3) mills on all county ordinary taxable and real property in all unincorporated areas of Anderson County, pursuant to Anderson County Ordinance Number 164 of 1986, in order to provide sewer service in the County.

SECTION XIV. LEVYING OF A TAX FOR COUNTYWIDE EMERGENCY MEDICAL SERVICES

There is hereby directed to be levied a tax of six and six-tenths mills (6.6 mills) to provide such emergency medical services in the County; to be subject to and dependent upon the approval by County Council, prior to the levy of County taxes, of: the creation and organization of an oversight and governance board for County emergency medical services not addressed elsewhere; bylaws and agreements and other organizational documents for such board; applicable minimum standards for County providers of emergency medical services; oversight rules and agreements for County providers of emergency medical services; approval by County Council of funding for such emergency medical services including any required levy of County taxes; and a plan and procedure for the distribution of such levied funds to the County providers of emergency medical services on a fair and equitable basis.

SECTION XV-SOLID WASTE/RECYCLING FEES

There shall be a uniform \$71.68 Residential Solid Waste/Recycling Fee annually imposed upon the owner of record of each residence in the County, including all single and multi-family homes, mobile homes, and all lease and rental properties, and a uniform Commercial \$82.49 Solid Waste/Recycling Fee annually imposed upon every business, excepting industries, located in a municipality in the County, and to be collected by such municipality not less frequently than annually and remitted to the County within thirty (30) days from the deadline imposed by the municipality for such collections. Together, these fees, plus the Starr C&D Landfill usage fee of \$28/ton and revenues received from the sale of recycled materials, interest income, state grant and tire revenue are currently estimated to produce approximately \$7,720,345 for this fiscal year, and constitute the total anticipated fiscal year 2020-2021 revenues of the Solid Waste and Recycling Department.

The residential Solid Waste and Recycling Fees shall be levied as a uniform assessment by the Anderson County Auditor and placed upon the annual real estate tax notice and collected by the Anderson County Treasurer, pursuant to state law. The fiscal officers of the County shall have the authority to nulla bona or abate these fees to the same extent and under the same conditions as they do for a comparable tax.

Further, there shall be imposed a late fee and supplemental processing charge of \$6.00, for all Solid Waste/Recycling Fees not timely remitted to the County Treasurer by March 16 of the year when due. For all past due accounts in excess of one year, the County shall impose an additional annual penalty of \$12.00. The County shall pursue all legal remedies available to it to recover past due amounts, and shall hold the property owner responsible for all costs of collection, including reasonable attorney fees, as a part of such collection efforts and as a part of the fees imposed by County Council pursuant to state law, in order that lawful tax-paying citizens not be forced to subsidize those taxpayers who do not pay this lawful fee in a timely manner. Failure by a municipality to collect the uniform Commercial \$84.98 Solid Waste/Recycling Fee or to remit such collected fees to the County in accordance with this section may result in the County terminating solid waste disposal privileges for such municipality until all such collections and/or remittances are made current.

All proceeds collected from these fees shall be accounted for in a separate fund to be used solely to account for solid waste operations in the County, including but not limited to, the collection, disposal, transfer, and recycling of solid waste, including, without limitation, the purchase or construction of machinery, equipment, and facilities for such operations, as well as the administrative expenses incurred in the operation of the Anderson County Solid Waste and Recycling Department and collection of the annual solid waste/recycling fee. The County is authorized to issue appropriate legal obligations, including bonds, as appropriately authorized by normal County processes to pay for all of the foregoing costs, utilizing the proceeds from these fees to pay for such costs, including, without limitations, to pay the debt service for such bond obligations. The fees addressed in this section may be set or changed by simple vote of County Council, and will be adjusted by the County Administrator and the Public Works Division Director of the County accordingly to reflect these changes by County Council. The provisions of this Section shall be codified in a separate ordinance of the County pertaining to Solid Waste/Recycling Fees, which shall include provisions for enforcement, including civil and criminal penalties for non-payment.

Because empirical evidence indicates that senior citizens generate less Solid Waste, by consuming less, than younger residents, the Anderson County Auditor shall only levy and collect a \$40 Residential Solid Waste/Recycling Fee for every household which qualifies for and is granted the State Homestead Exemption.

SECTION XVI-SEWER FEES

The County is party to multiple agreements with the City of Anderson, South Carolina (the "City"), which have been in effect for many years and are of indefinite duration. Those agreements require the County to pay a pro rata share of the cost of certain upgrades to the City's sewer system, based on the volume of discharge and the nature of the discharge. Because the County does not set the amount of such costs and because the costs are based on actual use by customers using the system, the only equitable method to use for paying the cost of increase charged by the City, pursuant to

contractual agreements of long standing, is to increase the County sewer use charges affected, by the respective percentage or amount of increase charged by the City, i.e., to treat the amount charged by the City as a "pass-through" charge to the system users. In addition, the County has certain debt instruments in effect, with the South Carolina State Revolving Fund and others, which require the County to set sewer user charges in such an amount as will generate sufficient funds to pay all debt service on such debt instruments. The County Administrator and the Public Works Division Director may effect such "pass-through" charges by insuring that amounts charged by the City are correct and then passing those charges along, pro rata, to the users of the County sewer system impacted by the City charges, in the form of adjusted sewer use charges, based on the same cost increase factors utilized by the City, and may otherwise adjust such sewer use charges as required to adequately meet all debt service requirements of sewer system debt instruments and obligations duly authorized by County Council.

SECTION XVII-STORMWATER REQUIREMENTS AND PERSONNEL

Federal and state law mandates the management of stormwater runoff by Anderson County. Accordingly, certain Public Works employees have been assigned to the management of Anderson County's Stormwater Runoff management program. Anderson County Council may utilize funds from the Sewer Fund for the Stormwater Runoff management program, to the extent such funds are available and sufficient for that purpose and exceed stormwater fees collected for that purpose, rather than impose additional federally and state mandate-created fees for such purposes.

SECTION XIII-CREATION AND APPROPRIATION OF PUBLIC INFRASTRUCTURE FUND

There has heretofore been established, and shall be maintained as a separate budgetary and operational fund of the County, the Anderson County Public Infrastructure Fund (the "Fund"). The County shall deposit into such Fund those revenues of the County derived from fee-in-lieu-of-tax ("FILOT") payments from the several joint county industrial and business parks of the County ("multi-county parks" or "MCIPs"), which are designated to be so deposited by this Ordinance or other ordinances of Anderson County, including, without limitation, Ordinance #2004-041, as amended from time to time ("Ordinance #2004-041"). Moneys deposited into the Fund shall be utilized for the costs of infrastructure serving economic development purposes in Anderson County ("Infrastructure") in accordance with the provisions of 4-1-170, et seq., Code of Laws of South Carolina, 1976, as amended, and as directed by Anderson County Administrator. Such expenditures are hereby authorized by Anderson County Council. Deposits into such Fund shall include, without limitation, those revenues from the Anderson County-Greenville County multi-county park which are allocated to that purpose by Ordinance #2004-041, (exclusive of such revenues as are being utilized for separate special source revenue bonds issued to fund Infrastructure). Moreover, Anderson County Council affirms that distribution of the FILOT revenues received by Anderson County pursuant to the multi-county park agreements with Clarendon County and with Abbeville/McCormick Counties for park premises under those two agreements which are located in Anderson County shall be distributed in the same manner and pursuant to the same allocation methodology as set forth in Ordinance #2004-041. All monies and revenues received by Anderson County pursuant to Ordinance #2004-041 and this Section shall be accumulated in, accounted for, and distributed from such Fund as provided in such Ordinance and in this Section. Expenditures may be made from such Fund to pay the cost of such Infrastructure directly or to make debt service payments on bonds or notes payable issued by the County to fund such Infrastructure.

SECTION XIX-SPECIAL TAX DISTRICT REVENUES AND APPROPRIATIONS

The County Finance Department shall receive and account for those revenues of the County levied and collected for the special tax districts of the county, as authorized, required, and levied by the County ordinances creating such special tax districts. The County Finance Department will disburse moneys from such funds in accordance with the County ordinances creating the special tax districts, including, without limitation, for reimbursements of the County Public Works Division in accordance with such ordinances. Such monies are hereby appropriated for those purposes.

SECTION XX-FUNDING OF COUNTY ORGANIZATIONS

All dependent boards, agencies, commissions, and organizations of the County, funded by these budgets, except for County Rescue Squads shall be disbursed funds on a quarterly basis upon a letter of request to the County Administrator any time after the beginning of the first month of the quarter. A brief report shall be submitted along with the letter of request, detailing how County funds were expended in the previous quarter. An audit report shall be presented to the County Administrator within six months following the end of the respective fiscal year for each organization addressed by this Section following receipt of request by the County Administrator.

SECTION XXI-SETTING OF A MILLAGE RATE

The Anderson County Council, working in cooperation with the Anderson County Auditor and Treasurer and in accordance with the laws and Constitution of the State of South Carolina, shall calculate and fix the amount of the millage necessary, not to exceed 82.7 mills total, exclusive of debt service millage to be set by the Anderson County Auditor, as set forth herein, to support the appropriations herein made, with the exception of those appropriations and portions thereof supported by revenues other than property taxes, and shall so advise the Auditor and Treasurer of Anderson County who shall levy and collect said millage, respectively, as hereby directed by the County Council, in addition to any millage (for debt service or otherwise) for which the statutory authority to determine and levy is granted to the Anderson County Auditor and the authority to collect is given to the Anderson County Treasurer. All such levies of taxes authorized herein by Anderson County Council for County of Anderson purposes shall be set forth, stated, and mailed to the taxpayers of Anderson County on a tax notice showing such levies separate and independent of levies of taxes by any other legal entity or political subdivision of the State of South Carolina, whether on a two-sided tax notice or a multi-page tax notice or any other form of tax notice accomplishing the purpose set forth in this paragraph. Anderson County Council will provide forms for such tax notices and no funds appropriated by this budget ordinance are authorized for the procurement or preparation of any other form of tax notice.

SECTION XXII-COMPLIANCE WITH COUNTY CODE AND ACCOUNTABILITY

All funds for County ordinary purchases and procurements shall be obligated in accordance with the County Code through the County Central Purchasing Department and will be disbursed by the Finance Department so as to provide for necessary auditing, unless specifically exempted by County Council in public session.

All State and Federal Grants will be administered, coordinated, and accounted for by the Anderson County Finance Department.

Use of funds appropriated by County Council district or otherwise, to reimburse members of

County Council for reimbursable expenses (that is, for lodging, travel, registration fees, training, meals, and telephone usage) incurred in the discharge of their official duties shall be in accordance with the terms and provisions of the County Code.

SECTION XXIII-DEPOSITS

All service charges, reimbursements, fees, fines, other funds received by county departments shall be deposited with the County Treasurer as soon as possible after collection; but in no case shall the time lapse between collection and deposit with the Treasurer exceed thirty (30) days. The Treasurer is authorized and directed to deposit all funds received into the appropriate interest-bearing accounts, and any surplus funds and all accumulative interest shall be deposited into the General Fund of Anderson County.

SECTION XXIV-SURPLUS FUNDS

Except as otherwise noted herein, any surplus in the General Fund of the County or any moneys accruing therefrom shall be used as a contingency fund and shall be spent as authorized and directed by the Anderson County Council during the fiscal year addressed by this Ordinance, only. At the end of such fiscal year those funds shall be accounted for as addressed in the next succeeding Section. Any surplus in other funds of the County or any monies accruing therefrom shall be retained and accounted for in such other fund or funds and shall be carried forward from year to year as fund balances in such funds.

SECTION XXV-END OF FISCAL YEAR ACCOUNTING

All appropriations made by this Ordinance for which monies have not been obligated or encumbered by the end of June 30, 2021, shall lapse and expire at that time. All appropriations made by this Ordinance for which the funding monies have been obligated or encumbered by June 30, 2021 shall remain on the books of Anderson County at June 30, 2021 for matching of the applicable expenditure for year-end accrual purposes. Once the ledgers are closed for year-end accrual purposes, the unused encumbrance amount will be removed from the encumbrance system. Unobligated General Fund budgetary appropriations and monies received by County departments and existing without obligation at the close of the fiscal year addressed by this Ordinance shall revert to the General Fund of Anderson County to be accounted for as fund balance; no existing appropriation or actual revenues on hand at the end of the fiscal year may be expended by any department during the succeeding fiscal year without new appropriation by County Council. Any surplus in other funds of the County or any moneys accruing therefrom shall be retained and accounted for in such other fund or funds and shall be carried forward from year to year as fund balances in such funds.

SECTION XXVI-TRANSFERRING OF FUNDS

The Administrator may approve changes in a department budget from one line item to another in an amount up to and including \$10,000 at any one time; provided, however, the total department budget shall not increase, no new positions may be created, or capital expenses, may be accomplished by such a transfer without County Council approval. No transfer for any one type of good or services may be subdivided, split or "stacked" for purposes of evading the requirements of this section.

Aggregate transfers within the fiscal year within a department which exceed \$20,000 shall require County Council approval thereafter. All transfers shall be included in the "Administrator's Report" section of the County Council agenda for Council's review.

SECTION XXVII-DISBURSEMENTS

The County Administrator, based on financial conditions and cash-flow considerations, shall determine the proper rate of disbursement of the above-enumerated appropriations during the fiscal year. Transfers from fund to fund in order to properly account for and manage County funds and appropriations in accordance with generally accepted accounting standards continue to be explicitly approved notwithstanding any other language of this Ordinance, subject always to the reporting requirements of this Ordinance. All out of state travel for official County government business shall be approved in advance by the County Administrator to include any lodging, registration fees or meals associated with the trip. The County Administrator and the County Treasurer are hereby granted authority to enter into agreements with the Anderson County Board of Education and the School Districts of Anderson County, consistent with this Ordinance, to make accelerated disbursements of Anderson County school tax receipts to the School Districts of Anderson County and to the Anderson County Board of Education.

SECTION XXVIII-PAUPER BURIALS

Pauper burials shall be funded in the budget of the Coroner (5131) at the rate established by sealed bid. Documentation for each such burial will be maintained at the Coroner's Office and, as further, the Coroner is hereby authorized to arrange for the disposition of deceased indigent persons in accordance with state law including, but not limited to, Title 32, Chapter 8 of the South Carolina Code of Laws (1976, as amended).

SECTION XXIX-RETIREMENT OF AUTOMOTIVE AND HEAVY EQUIPMENT

Unless otherwise directed by County Council, automotive and heavy equipment will be retired from service by any department receiving replacement equipment on a one for one basis as the replacement equipment is received. Retired equipment will be appropriately evaluated for reassignment or disposition by the Public Works Division Director and the County Administrator for those departments under the director of the County Administrator and the Sheriff for those vehicles used by those departments reporting to this elected official.

SECTION XXX-TAX ANTICIPATION NOTES

As permitted by Article X, Section 14, of the Constitution of the State of South Carolina, 1895, as amended and Section 11-27-40, Code of Laws of South Carolina, 1976, as amended, County Council is hereby empowered to authorize the issuance of tax anticipation notes in the aggregate principal amount of not exceeding \$10,000,000 (the "TANS") in anticipation of the collection of taxes imposed and levied by this Ordinance. The TANS may be issued at any time or from time to time during the fiscal year beginning July 1, 2020 and ending June 30, 2021; shall be issued pursuant to a Resolution adopted by County Council; may be issued in bearer form or fully registered upon terms and conditions prescribed in such Resolution; shall be issued in the principal amounts, mature and bear interest as prescribed in such Resolution; may be sold by negotiated or public sale upon such terms and conditions as County Council prescribes in the Resolution.

SECTION XXXI-CREDIT CARD PAYMENTS

To the maximum extent authorized by and in accordance with law, and in accordance with County procurement policies, all Anderson County offices, including those of elected officials, are authorized to adopt and implement uniform procedures, through the County Central Administrative Services Division, to accept credit card payments for all payments due to the County or processed by County offices.

SECTION XXXII-CREDIT CARD POLICY

All Anderson County credit card charges and purchases made utilizing an Anderson County credit card, to include purchasing cards, are to be reported to the Finance Office, and accompanied by a detailed receipt and a written report, the format of which is to be designed and determined by the County Administrator or his designee. The written report shall contain sufficient detail to show who made the charge, what the charge was for, when the charge was made, where the charge was made, and why the charge was incurred. Charges incurred for or associated with economic development projects must still be reported, as addressed above, and accompanied by the receipt and report described above, but may be reported by project codename, until such time as the project is publicly announced or finally terminated.

SECTION XXXIII-GRANTS AND GRANT MATCHING FUNDS

The Anderson County Administrator, or his duly authorized representative, is hereby authorized to apply for all grants of any nature whatsoever where no County matching funds are required, or for those grants for which County matching funds are required when all necessary County matching funds have been made available by Anderson County Council through the annual Anderson County operating and capital budgets or are available in applicable County enterprise fund balances, for County Council authorized programs, institutions, and facilities of Anderson County, and to receive and expend such grant funds for the purposes authorized in the respective grant applications. Notwithstanding the foregoing, County staff shall conduct an analysis identifying any recurring expense or monetary obligation for which the County may be responsible in the future where said expense or obligation will be payable from funding sources other than the grant being applied for. Any grant opportunity which involves such expenses or obligations shall require County Council approval prior to the submission of the grant application.

No funds appropriated by this Ordinance may be utilized as matching funds for any parks and recreation grant, including, without limitation, grants received from the South Carolina Department of Parks, Recreation, and Tourism, except for Anderson County Council District Recreation Funds appropriated hereby, except as otherwise provided herein.

SECTION XXXIV-APPLICABLE CIVIC CENTER RATES

Rates as set forth on rate sheets as may be in effect during the fiscal year (subject to amendment) shall be applied by the Civic Center of Anderson for all rental contracts entered into between July 1, 2020 and June 30, 2021.

SECTION XXXV-APPLICABLE ANIMAL SHELTER RATES

Rates as set forth on Animal Shelter rate sheets dated July 1, 2020 shall be applied by the Anderson County Animal Shelter for all services rendered between July 1, 2020 and June 30, 2021.

SECTION XXXVI-APPLICABLE JUROR REIMBURSEMENT RATES

There shall be paid unto the Grand Jurors in Circuit Court the sum of \$20 per diem and Petit Jurors shall be paid the sum of \$12 per diem. There shall be paid unto Jurors in Summary Court the sum of \$10 per diem Jurors. In addition to the aforesaid sum, jurors shall be reimbursed twenty-five, \$.25, cents per mile per day from their home to the Anderson County Courthouse for the term for which they are drawn to serve. These rates shall be effective for all services rendered between July 1, 2020 and June 30, 2021.

SECTION XXXVII-FUNDING OF E-911 SERVICES

In order to provide all citizens of Anderson County with the best emergency dispatch services available and to fund those services in the most effective, efficient manner possible, the County Administrator is hereby directed to utilize and apply the maximum E-9-1-1 tariff funds available by current South Carolina law to the County's E-9-1-1 system, in accordance with County procurement policies and state law.

SECTION XXXVIII-ROAD ENCROACHMENT PERMITS

The Anderson County Public Works Division is authorized to charge fees for encroachments on County roads and rights-of-way and for encroachment permits for such encroachments in accordance with an encroachment fee schedule prepared, from time to time, by the Anderson County Public Works Division, and approved by Anderson County Council by appropriate Council action. Such fees for encroachments on Anderson County roads and rights-of-way and for encroachment permits for such fees shall be sufficient to fully reimburse the County for all costs of supervising, inspecting, and repairing, as necessary, all damage to County roads and rights-of-way caused by such encroachments.

SECTION XXXIX-FUND BALANCE POLICY

Maintenance of an adequate and appropriate fund balance is critical to an overall sound fiscal policy and practice of the County. Maintenance of such fund balance not only protects the County against emergencies and unexpected contingencies, it actually saves the County significant amounts of money, through less reliance on tax anticipation notes and through lower interest rates for borrowing money and issuing debt. A fund balance policy is looked upon favorably by rating agencies and investors. County Council, therefore, and hereby, establishes a policy that the County will maintain a general fund balance of approximately six (6) months of current budget expenditures, including operating transfers out, but not less than two (2) months of such expenditures.

SECTION XXXX-REASONABLE ACCOMMODATION POLICY

Anderson County is a participant in the Federal Community Development Block Grant Program for the purpose of undertaking various important community and economic development activities throughout the County. The Community Development Block Grant Program requires a reasonable accommodations policy for Section 504 regulations. Anderson County, acting by and through the Anderson County Council, desires to comply with all necessary Grant requirements. Anderson County, acting by and through the Anderson County Council, is hereby willing to make reasonable accommodations for the known physical or mental impairments of an otherwise

qualified participant, applicant or employee, providing it does not cause undue financial or administrative burden on the County or cause a fundamental alteration of the County's program. Anderson County Council hereby recognizes that the policy created hereunder includes employees, applicants for employment, and the public when the public is involved in County activities. The Anderson County Administrator, for and on behalf of the County, is hereby authorized and directed to do any and all things necessary or appropriate in connection with this Policy.

SECTION XXXXI-SMALL, WOMEN-OWNED AND MINORITY-OWNED BUSINESS ENTERPRISES

To promote free competition and equal opportunity, Anderson County is committed, within the parameters of the County procurement code, to assisting small, minority-owned and woman-owned businesses in becoming active vendors with the County. Anderson County encourages and invites small, woman, and/or minority owned businesses located inside and outside of the County to participate in the County's procurement process. It is the policy of the County to prohibit discrimination against any person or business in pursuit of procurement opportunities on the basis of race, color, national origin, ancestry, religion, disability, political affiliation or gender.

SECTION XXXXII-SOLICITOR CASE FACILITATOR

Funding for the temporary Case Facilitator in the Solicitor's Office is budgeted for an additional year and is intended to provide representation for Anderson County in the Magistrates Courts of Anderson County. This is a temporary position only. In order for this position to be considered in future budget years, the Solicitor's Office must provide the Administrator with quarterly reports indicating the number of new cases referred each quarter, the number of court appearances each quarter, and a certification from the Solicitor that this position was only used for representation in Magistrate Court on Anderson County cases during the quarter.

SECTION XXXXIII-SEVERABILITY

If any clause, phrase, sentence, paragraph, appropriation, or section of this Ordinance shall be held invalid for any reason, it shall not affect the validity of this Ordinance as a whole or the remaining clauses, phrases, sentences, paragraphs, appropriations, or sections hereof, which are hereby declared separable.

SECTION XXXXIV-EFFECTIVE DATE

This Ordinance shall become effective and enforced from and after July 1, 2020.

ADOPTED in meeting duly assembled this ____ day of _____.

ATTEST:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman

Lacey Croegaert
Clerk to Council

Craig Wooten, District #1

Gracie S. Floyd, District #2

Ray Graham, District #3

Brett Sanders, District #4

Jimmy Davis, District #6

M. Cindy Wilson, District #7

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

First Reading:

September 15, 2020

Second Reading:

October 6, 2020

Third Reading:

Public Hearing:

ORDINANCE NO. 2020-021

AN ORDINANCE TO APPROVE A TEMPLATE LEASE AGREEMENT FOR INCUBATOR/SOFT LANDING ECONOMIC DEVELOPMENT PROJECTS AT ANDERSON COUNTY'S FACILITY AT 1428 PEARMAN DAIRY ROAD; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Anderson County, South Carolina (the "County"), acting by and through its County Council is authorized under Title 4 of the Code of Laws of South Carolina, as amended, to "sell lease, or contract to sell or lease real property owned by the County";

WHEREAS, the County owns the real property located at 1428 Pearman Dairy Road, formerly the TTI facility;

WHEREAS, one of the purposes for acquisition of the former TTI site at 1428 Pearman Dairy Road was to serve as short-term incubator space and soft landing space for certain economic development projects; and

WHEREAS, a template lease for space in the 1428 Pearman Dairy Road facility has been developed for certain economic development projects seeking short-term incubator spaces and soft landing space.

NOW, THEREFORE, be it ordained by the Anderson County Council in meeting duly assembled that:

1. The template lease attached hereto as EXHIBIT A is hereby approved for lease of space at the County's 1428 Pearman Dairy Road site for incubator and soft landing economic development projects.

2. The County Administrator is hereby provided with authority to execute the Ground Lease Agreement in the form of Exhibit "A" or substantially similar form with each Tenant on behalf of the County and to grant an extension of the one (1) year lease term for up to six (6) months if circumstances warrant such an extension.

3. The remaining terms and provisions of the Anderson County Code of Ordinances not revised or affected hereby remain in full force and effect.

4. Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination shall not affect the remainder of this Ordinance, all of which is hereby deemed separable.

5. All Ordinances, Orders, Resolutions, and actions of Anderson County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded.

6. This ordinance shall take effect and be in full force upon the Third Reading and Enactment by Anderson County Council.

ORDAINED in meeting duly assembled this _____ day of _____, 2020.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey A. Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

1st Reading: September 15, 2020

2nd Reading: _____

3rd Reading: _____

Public Hearing: _____

ORDINANCE NO. 2020-022

AN ORDINANCE TO AMEND SECTION 2-38-(C)(4) OF THE CODE OF ORDINANCES, ANDERSON, SOUTH CAROLINA, SO AS TO ESTABLISH THAT EACH SPEAKER WILL BE ALLOWED NOT MORE THAN THREE (3) MINUTES TO ADDRESS THE MATTER FOR WHICH A PUBLIC HEARING HAS BEEN SCHEDULED; AND OTHER MATTERS RELATED HERETO.

WHEREAS, Section 2-38 (c)(4) of the Code of Ordinances, Anderson County, South Carolina currently provides, in part, that any person desiring to speak at a public hearing that has been duly advertised may do so “for a reasonable period of time”; and

WHEREAS, the County Council desires to establish an objective time limit for persons desiring to speak at public hearings conducted by County Council.

NOW, THEREFORE, be it ordained by Anderson County Council in meeting duly assembled that:

1. Section 2-38(c)(4) of the Code of Ordinances, Anderson County, South Carolina is hereby amended such that the second sentence following sub-section f. reads as follows:

Any person desiring to do so may speak at a public hearing for up to three (3) minutes, so long as he/she is speaking to the matter under consideration.

2. The remaining terms and provisions of the Anderson County Code of Ordinances not revised or affected hereby remain in full force and effect.

3. Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination shall not affect the remainder of this Ordinance, all of which is hereby deemed separable.

4. All Ordinances, Orders, Resolutions, and actions of Anderson County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded.

5. This ordinance shall take effect and be in full force upon the Third Reading and Enactment by Anderson County Council.

ORDAINED in meeting duly assembled this _____ day of _____, 2020.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey A. Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

1st Reading: September 15, 2020

2nd Reading: _____

3rd Reading: _____

Public Hearing: _____

ORDINANCE NO. 2020-023

**AN ORDINANCE TO AMEND AN AGREEMENT FOR THE DEVELOPMENT OF
A JOINT COUNTY INDUSTRIAL AND BUSINESS PARK (2010 PARK) OF
ANDERSON AND GREENVILLE COUNTIES SO AS TO ENLARGE THE PARK.**

WHEREAS, pursuant to Ordinance No. 2010-026 enacted October 19, 2010 by Anderson County Council, Anderson County entered into an Agreement for the Development of a Joint County Industrial and Business Park (2010 Park) dated as of December 1, 2010, as amended, with Greenville County (the "Agreement"); and

WHEREAS, pursuant to Section 3(A) of the Agreement, the boundaries of the park created therein (the "Park") may be enlarged pursuant to ordinances of the County Councils of Anderson County and Greenville County; and

WHEREAS, in connection with certain incentives being offered by Greenville County, it is now desired that the boundaries of the Park be enlarged to include certain parcels in Greenville County;

NOW, THEREFORE, be it ordained by Anderson County Council that Exhibit A to the Agreement is hereby and shall be amended and revised to include property located in Greenville County described in the schedule attached to this Ordinance, and, pursuant to Section 3(B) of the Agreement, upon adoption by Greenville County of a corresponding ordinance, the Agreement shall be deemed amended to so include such property and Exhibit A as so revised, without further action by either county.

DONE in meeting duly assembled this ____ day of _____, 20 ____.

(SEAL)

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVE AS TO FORM:

Leon C. Harmon
Anderson County Attorney

First Reading: _____, 2020
Second Reading: _____, 2020
Third Reading: _____, 2020
Public Hearing: _____, 2020

Addition to Exhibit A to
Agreement for the Development of a Joint County Industrial and
Business Park dated as of December 1, 2010, as amended,
between Anderson County and Greenville County

Project Unity Gateway Property

Those certain pieces, parcels, or tracts of land situate, lying or being in the County of Greenville, State of South Carolina, bearing Tax Map Numbers 0050.00-02-001.00, 0050.00-02-001.04, 00050.00-02-001.05 and 0050.00-02-001.06 as of January 2, 2020 more particularly described in the legal description set forth on the next page.

EXHIBIT A

Legal Description

TRACT A

ALL THAT CERTAIN PIECE, PARCEL, OR LOT OF LAND, LYING AND BEING IN THE CITY OF GREENVILLE, GREENVILLE COUNTY, STATE OF SOUTH CAROLINA, BEING LOCATED AT THE SOUTHWEST CORNER OF W. WASHINGTON STREET AND S. ACADEMY STREET, AND HAVING THE FOLLOWING METES AND BOUNDS, TO WIT: BEGINNING AT A CONCRETE NAIL SET, THE POINT OF BEGINNING, (P.O.B.), SAID POINT BEING LOCATED ON THE SOUTHERN RIGHT-OF-WAY OF WEST WASHINGTON STREET (S-1077) AND ON THE WESTERN RIGHT-OF-WAY OF SOUTH ACADEMY STREET (U.S. HIGHWAY 123), THENCE WITH THE WESTERN RIGHT-OF-WAY OF SOUTH ACADEMY STREET S 23-58-39 W, 191.22 FEET TO A CONCRETE NAIL SET, THENCE LEAVING THE WESTERN RIGHT-OF-WAY OF SOUTH ACADEMY STREET AND WITH TRACT B, N 68-07-17 W, 183.33 FEET TO A CONCRETE NAIL SET, THENCE LEAVING TRACT B AND WITH TRACT C THE FOLLOWING FIVE COURSES AND DISTANCES: N 23-32-13 E, 19.87 FEET TO A CONCRETE NAIL SET, THENCE ON A CURVE TO THE LEFT HAVING A CHORD BEARING OF N 0-36-26 E, A CHORD LENGTH OF 17.83 FEET, AND A RADIUS OF 19.31 FEET TO A CONCRETE NAIL SET, THENCE N 24-28-15 W, 9.45 FEET TO A CONCRETE NAIL SET, THENCE ON A CURVE TO THE RIGHT HAVING A CHORD BEARING OF N 5-36-19 E, A CHORD LENGTH OF 22.67 FEET, AND A RADIUS OF 33.29 FEET TO A CONCRETE NAIL SET, THENCE ON A CURVE TO THE LEFT, HAVING A CHORD BEARING OF N 3-26-15 E, A CHORD DISTANCE OF 15.34 FEET, AND A RADIUS OF 24.88 FEET TO A CONCRETE NAIL SET, THENCE LEAVING TRACT C AND WITH TRACT D, N 25-21-59 E, 124.67 FEET TO A CONCRETE NAIL SET, THENCE LEAVING TRACT D AND WITH THE SOUTHERN RIGHT-OF-WAY OF WEST WASHINGTON STREET, S 64-36-55 E, 207.07 FEET TO THE POINT OF BEGINNING, CONTAINING 40,058 SQUARE FEET OR 0.92 ACRES.

TRACT B

ALL THAT CERTAIN PIECE, PARCEL, OR LOT OF LAND, LYING AND BEING IN THE CITY OF GREENVILLE, GREENVILLE COUNTY, STATE OF SOUTH CAROLINA, BEING LOCATED AT THE SOUTHWEST CORNER OF W. WASHINGTON STREET AND S. ACADEMY STREET, AND HAVING THE FOLLOWING METES AND BOUNDS, TO WIT:

BEGINNING AT A CONCRETE NAIL SET, THE POINT OF COMMENCEMENT, (P.O.C.), SAID POINT BEING LOCATED ON THE SOUTHERN RIGHT-OF-WAY OF WEST WASHINGTON STREET (S-1077) AND ON THE WESTERN RIGHT-OF-WAY OF SOUTH ACADEMY STREET (U.S. HIGHWAY 123), THENCE WITH THE WESTERN RIGHT-OF-WAY OF SOUTH ACADEMY STREET S 23-58-39 W, 191.22 FEET TO A CONCRETE NAIL SET, THE TRUE POINT OF BEGINNING (P.O.B.), THENCE CONTINUING WITH THE WESTERN RIGHT-OF-WAY OF SOUTH ACADEMY STREET (U.S. HIGHWAY 123) THE

STATE OF SOUTH CAROLINA)
)
COUNTY OF ANDERSON)

I, the undersigned Clerk to County Council of Anderson County, South Carolina, do hereby certify (i) that attached hereto is a true, accurate and complete copy of an ordinance which was given reading, and received majority approval, by the County Council at meetings of _____, 20____, _____, 20____ and _____, 20____, at which meetings a quorum of members of County Council were present and voted, and an original of which ordinance is filed in the permanent records of the County Council; and (ii) the public hearing for the attached ordinance was conducted by County Council at the County Council meeting of _____, 20____.

Lacey Croegaert
Anderson County Clerk to Council

Dated: _____, 20____



Development/Rezoning Recommendation

September 8, 2020

Date of Planning Commission Meeting

☐ Land Use

☒ Rezoning

☐ Subdivision

☐ Variance

Project Information

Name of Applicant/Project: Lakeside Acquisition LLC

Property Location: Hwy. 81 N; 227, 231, and 235 Scenic Road

County Council District: Four (4) School District: Five (5)

Total Acreage: +/- 10.01 Number of Lots: n/a

Current Zoning: C-2 Highway Commercial Requested Zoning: R-M1 Mixed Residential

Purpose: To construct 64 townhomes

Recommendation

Recommendation Rendered: Approve

Reason(s) for Denial, if applicable:

- | | |
|---|--|
| <input type="checkbox"/> Compatibility with Future Land Use Map | <input type="checkbox"/> The recommendations of staff |
| <input type="checkbox"/> Compatibility with Traffic Levels | <input type="checkbox"/> Compatibility with Surrounding Properties |
| <input type="checkbox"/> Compatibility with Density Levels | <input type="checkbox"/> Use and Value of Surrounding Properties |
| <input type="checkbox"/> Concerns for public, health, safety, convenience, prosperity & general welfare | <input type="checkbox"/> Concerns for the balance of the interest of sub dividers, homeowners and public |
| <input type="checkbox"/> Concerns for the effects of the proposed development on the local tax base | <input type="checkbox"/> The ability of existing or planned infrastructure and transportation system to serve the proposed development |
| <input type="checkbox"/> Other (please elaborate): _____ | |

Planning Commission Chairman: [Signature]

Date: 9/8/2020

Anderson County Planning & Development
401 East River Street
Anderson, South Carolina 29624 | Phone: (864) 260-4720

**Anderson County Planning Commission
Staff Report
September 8, 2020**

Applicant: Current	Lakeside Acquisition LLC
Owner: Property	Lakeside Acquisition LLC
Address: Precinct:	Hwy. 81 N and 227, 231 and 235 Scenic Road
Council District: TMS	Town Creek
#(s): Acreage:	4
Current Zoning:	146-00-08-003; 146-00-08-027; 146-00-08-028; 146-00-08-029
Requested Zoning:	+/- 10.01
Surrounding Zoning:	C-2 (Highway Commercial) R-M1 (Mixed Residential District) North: C-2 (Highway Commercial) South: R-M1 (Mixed Residential) East: C-2 (Highway Commercial) West: R-20 (Single Family Residential)
Evaluation:	

The purpose of the R-M1 district is established to provide for medium population density. The principal use of the land is for one-family and two-family dwellings and recreational, religious, and educational facilities normally associated with residential development. Multiple family dwellings shall not be permitted. This district also allows a mixture of residential and professional offices provided design and review conditions are met. Potential office development should be limited to properties which have direct access to collector or arterial streets.

The proposed development is located within The Gateway to Anderson Overlay District. Established to promote a positive visual appearance along Highway 81. April 2015 the Planning Commission recommended approval of the draft overlay. County Council approved The Gateway to Anderson Overlay June 2015. If approved, the developer must adhere to the standards set forth in the overlay document.

This request is to rezone four parcels from C-2 (Highway Commercial) to R-M1 (Mixed Residential). The applicant's intent is to construct 64 townhomes.

The developer will be required to connect to sewer if approved. Highway 81 N is classified as an arterial road with no maximum average vehicle trips per day. The developer will need to contact SCDOT to determine the need for an encroachment permit based on their design and/or a traffic study if required at a future date.

The Future Land Use Map in the County's Comprehensive Plan (2016) identifies the area as commercial and residential.

Public Outreach:

Staff hereby certifies that the required public notification actions have been completed, as follows:

- July 24: Rezoning notification postcards sent to 112 property owners within 2,000' of the subject property;
- July 24: Rezoning notification signs posted on subject property;
- July 24: Planning Commission public hearing advertisement published in the *Anderson Independent-Mail*.

Public Feedback:

To date, staff has received seven phone calls for more information.

Staff Recommendation:

At the Planning Commission meeting during which the rezoning is scheduled to be discussed, staff will present their recommendation at that time.

Planning Commission
Recommendation:

The Anderson County Planning Commission met on September 8, 2020 and after a duly noted public hearing recommended **approval** of a request to rezone from C-2 to R-M1. The vote was **5** in favor, **0** opposed and **2** absent.

County Council:

The Anderson County Council will meet on October 6, 2020 and hold a duly noted public hearing and 1st reading on this request to rezone from C-2 to R-M1. *However, due to COVID-19, date and time is subject to change.*



Rezoning Application

Anderson County Planning & Community Development

July 1, 2020

Date of Submission

Approved/Denied

Applicant's Information

Applicant Name: Lakeside Acquisitions LLC.
Mailing Address: 521 North McDuffie Street, Anderson, S.C. 29621
Telephone: (864) 225 - 0025 - Office
Email: energyconversion@bellsouth.net / eddiekinsey@hotmail.com

Owner's Information

(If Different from Applicant)

Owner Name: _____
Mailing Address: _____
Telephone: _____
Email: _____

Designation of Agent: (Complete only if owner is not the applicant)

I hereby appoint the person named the Applicant as my agent to represent me in this request for rezoning:

Owner's Signature

Date

Project Information

Property Location:	<u>Highway 81 North</u>		
Parcel Number(s)/TMS:	<u>146-00-08-003 / 146-00-08-027 / 146-00-08-028 / 146-00-09-029</u>		
County Council District:	<u>4</u>	School District:	<u>5</u>
Total Acreage:	<u>10.01</u>	Current Land Use:	<u>Commercial</u>
Requested Zoning:	<u>R - M1</u>	Current Zoning:	<u>C 2</u>
Purpose of Rezoning:	<u>Construct Townhomes</u>		

Are there any Private Covenants or Deed Restrictions on the

☒ Yes

☐ No

Property? If you indicated no, your signature is required.

Applicant's Signature

Date

If you indicated yes, please provide a copy of your covenants and deed restrictions with this application, pursuant to State Law (Section 6-29-1145: July 1, 2007), determining existence of restrictive covenants. Copies may be obtained at the Register of Deeds Office. It is the applicant's responsibility for checking any subdivision covenants or private covenants pertaining to the property.

Additional Information or Comments:

An accurate plat (survey) of the property must be submitted with this application.

If pursuing a review district classification (PD, IZOD, PC), a preliminary development plan, statement of intent and letters from appropriate agencies or districts verifying available and adequate public facilities must be submitted with the application.

Please refer to Chapter 70 of the Anderson County Code of Ordinances for further information regarding submission requirements.

As the applicant, I hereby confirm that all required information and materials for this application are authentic and have been submitted to the Planning & Community Development office.

Ros D. Applicant
Applicant's Signature

July 1, 2020
Date

* A zoning map amendment may be initiated by the property owner(s), Planning Commission, Zoning Administrator or County Council. *

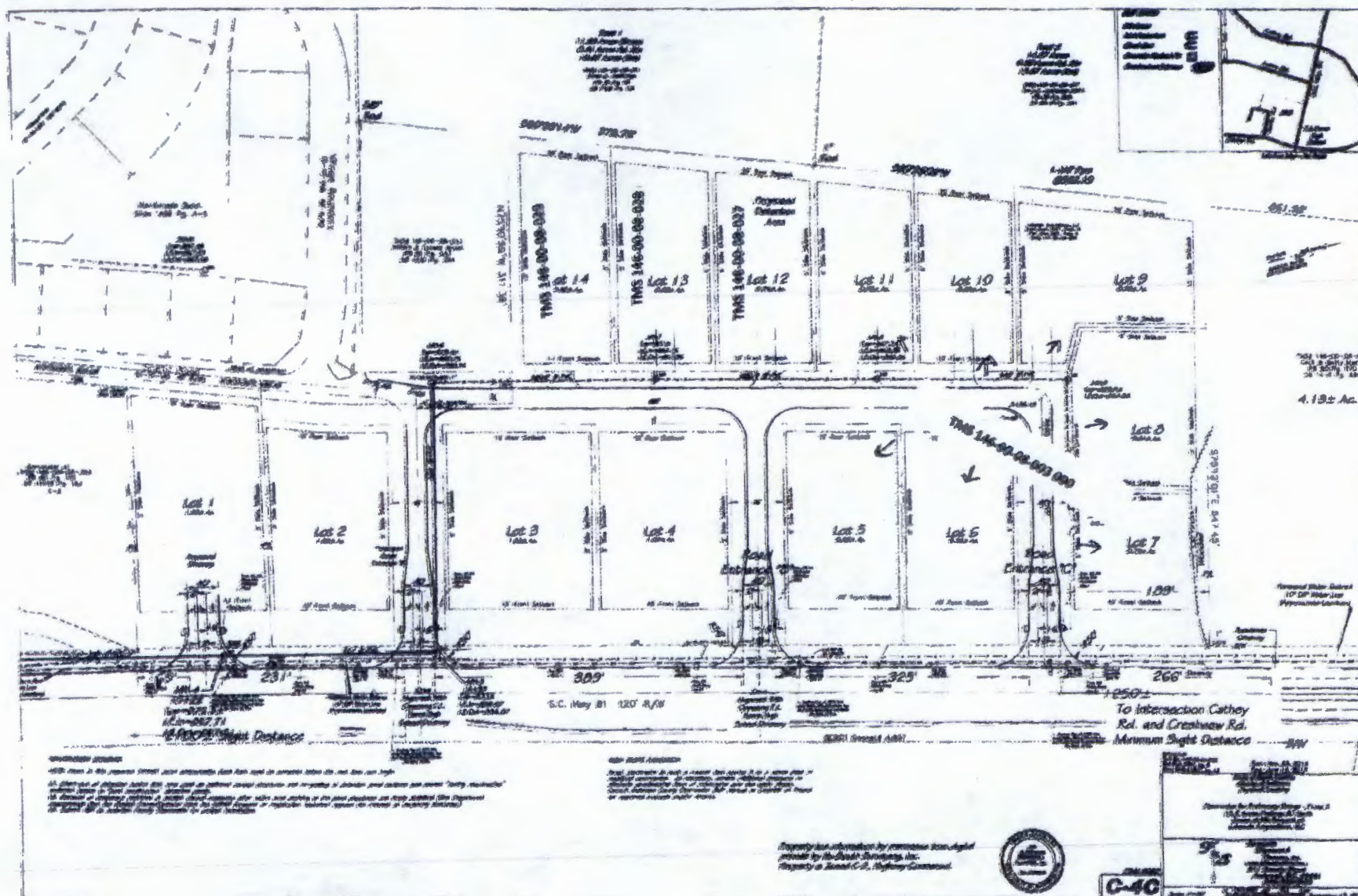
For Office Use Only:

Application Received By: _____

Complete Submission Date: _____

Commission Public Hearing: _____

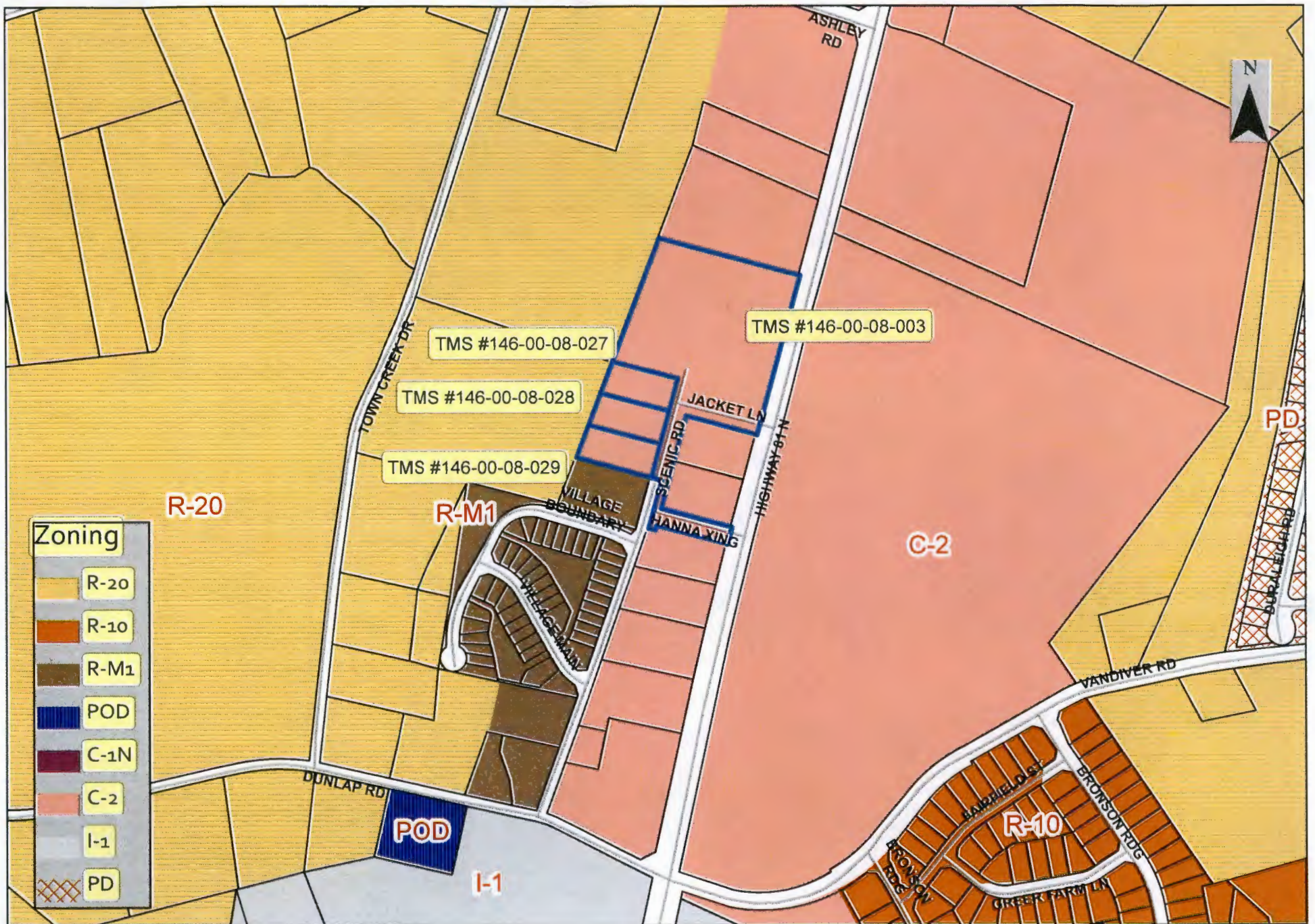
Council Public Hearing: _____



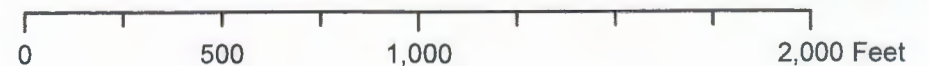


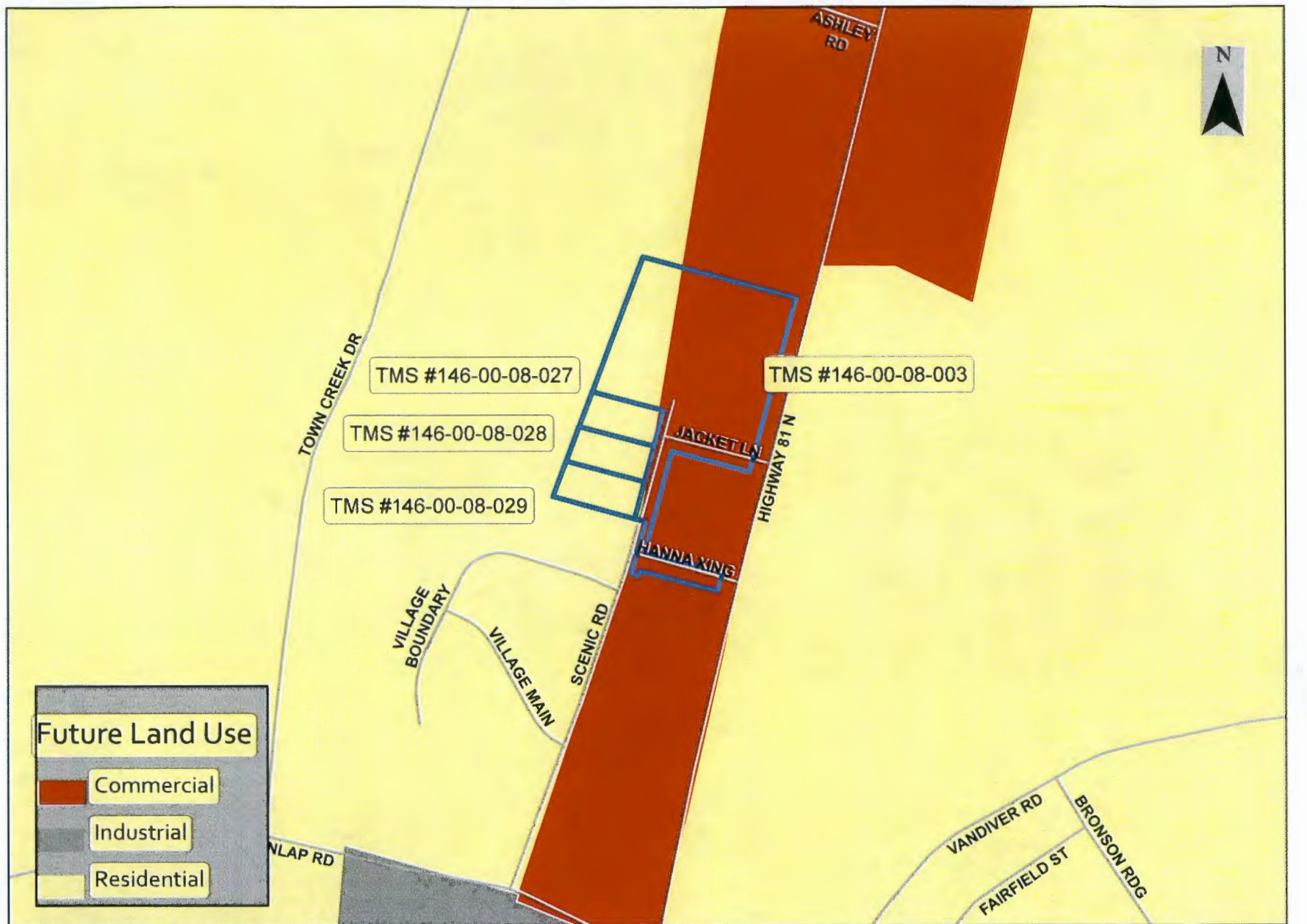
Rezoning Request
Highway 81 N and Scenic Rd.
C-2 to R-M1

0 250 500 1,000 Feet



Rezoning Request
Highway 81 N and Scenic Rd.
C-2 to R-M1





Rezoning Request
Highway 81 N and Scenic Rd.
C-2 to R-M1

0 500 1,000 2,000 Feet





REGIONAL PUBLIC
HEALTH AGENCY
864.266.4729

ORDINANCE NO. 2020-025

AN ORDINANCE AUTHORIZING (1) PURSUANT TO CHAPTER 44 OF TITLE 12, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BY AND BETWEEN ANDERSON COUNTY, SOUTH CAROLINA AND BMW MANUFACTURING CO., LLC; AND (2) OTHER MATTERS RELATING THERETO.

WHEREAS, Anderson County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized by Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the "FILOT Act"): (i) to enter into a fee agreement with companies meeting the requirements of such FILOT Act, which identifies certain property of such companies as economic development property, to induce such companies to locate in the State of South Carolina (the "State") and to encourage companies now located in the State to expand their investments and thus make use of and employ manpower and other resources of the State; and (ii) to covenant with such companies to accept certain fee-in-lieu of *ad valorem* tax ("FILOT") payments with respect to a project;

WHEREAS, the County has, by a Resolution adopted on October 6, 2020, taken official action to identify the Project (as defined below) for purposes of the applicable fee-in-lieu of taxes statute and otherwise;

WHEREAS, the County desires to enter into a fee agreement with BMW Manufacturing Co., LLC, a Delaware limited liability company authorized to transact business in the State (the "Company"), which shall provide, under certain conditions, for payments of fees-in-lieu of taxes for a project qualifying under the provisions of the FILOT Act (the "Fee Agreement");

WHEREAS, the County and the Company desire to enter into the Fee Agreement as defined in the FILOT Act concerning the Company's investment in certain machinery, equipment and other personal property for the purpose of assembling or manufacturing automobiles and/or motorcycles and/or parts thereof and all activities relating thereto (the "Project");

WHEREAS, on the basis of the information supplied to the County by the Company, the Project is expected to provide significant economic benefits to the County and surrounding areas;

WHEREAS, in order to induce the Company to locate the Project in the County, the County has determined to offer the Company a FILOT arrangement with respect to the Project and otherwise make available to the Company the benefits intended by the FILOT Act;

WHEREAS, the terms and conditions of such incentives are more fully described in the form of the Fee Agreement between the County and the Company prepared and presented to this meeting, which the County proposes to execute and deliver; and

WHEREAS, it appears that the Fee Agreement referred to above, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by the Council in meeting duly assembled as follows:

Section 1. Pursuant to the FILOT Act and particularly Section 12-44-40(H), and based solely on information supplied to the County by the Company, the Council has made and hereby makes the following findings:

(a) The Project will subserve the purposes of the FILOT Act;

(b) It is anticipated that the Project will benefit the general public welfare of the County by providing services, employment and other public benefits not otherwise adequately provided locally;

(c) The purposes to be accomplished by the Project are proper governmental and public purposes;

(d) The benefits of the Project to the public are greater than the costs to the public;
and

(e) Neither the Project nor any documents or agreements entered into by the County in connection therewith give rise to or will give rise to any pecuniary liability of the County or incorporated municipality or to any charge against their general credit or taxing power.

Section 2. In order to promote industry, develop trade and utilize the manpower, agricultural products and natural resources of the State, the form, terms and provisions of the Fee Agreement which is before this meeting and filed with the County Administrator are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Fee Agreement was set out in this Ordinance in its entirety. In the name of and on behalf of the County, the Chairman of Council is hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement to the Company and the Clerk to Council is hereby authorized and directed to attest the same.

Section 3. The Fee Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not be materially adverse to the County and as shall be approved by the official or officials of the County executing the same, upon advice of counsel, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.

Section 4. Each of the Chairman of Council and the County Administrator, for and on behalf of the County, is hereby authorized, empowered, and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement, the performance of all

obligations of the County under and pursuant to the Fee Agreement, and the carrying out of the transactions contemplated thereby and by this Ordinance.

Section 5. The consummation of all transactions contemplated by the Fee Agreement is hereby approved.

Section 6. This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina.

Section 7. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 8. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

ENACTED this ____ day of _____, 2020.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Attorney

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
County Attorney

First Reading: October 6, 2020
Second Reading: _____, 2020
Third Reading: _____, 2020
Public Hearing: _____, 2020

FEE AGREEMENT
BY AND BETWEEN
ANDERSON COUNTY, SOUTH CAROLINA
AND
BMW MANUFACTURING CO., LLC
DATED AS OF
_____, 2020

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EXHIBIT A Description of Sites

FEE AGREEMENT

THIS FEE AGREEMENT (the "Fee Agreement") is made and entered into as of _____, 2020, by and between **ANDERSON COUNTY, SOUTH CAROLINA** (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, acting by and through its County Council (the "County Council") as governing body of the County, and **BMW MANUFACTURING CO., LLC**, a Delaware limited liability company authorized to transact business in the State of South Carolina (the "Company").

WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the "Council"), is authorized by Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the "Act"): (i) to enter into a fee agreement with companies meeting the requirements of the Act, which identifies certain property of such companies as economic development property, to induce such companies to locate in the State of South Carolina (the "State") and to encourage companies now located in the State to expand their investments and thus make use of and employ manpower and other resources of the State; and (ii) to covenant with such companies to accept certain payments-in-lieu of property taxes with respect to a project;

WHEREAS, pursuant to the Act, and based on factual representations by the Company to the County, the County finds that (a) it is anticipated that the Project (as defined herein) will benefit the general public welfare of the County by providing services, employment and other public benefits not otherwise adequately provided locally; (b) neither the Project nor any documents or agreements entered into by the County in connection therewith will give rise to any pecuniary liability of the County or incorporated municipality or to any charge against their general credit or taxing power; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the benefits of the Project to the public are greater than the costs to the public;

WHEREAS, pursuant to a Resolution dated October 6, 2020 (the "Inducement Resolution") the County authorized, under certain conditions, the entering into of a fee agreement by and between the County and the Company which shall provide, in part, for payments-in-lieu of property taxes for a project qualifying under the Act using an assessment ratio of 6% and a fixed millage rate for the full term of such fee agreement; and

WHEREAS, pursuant to an Ordinance adopted on _____, 2020 (the "Ordinance"), as an inducement to the Company to develop the Project, the Council authorized the County to enter into a fee agreement with the Company under the Act subject to the terms and conditions hereof.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained and other value, the parties hereto agree as follows:

ARTICLE I

RECAPITULATION AND DEFINITIONS

SECTION 1.1. *Statutorily Required Recapitulation.* Pursuant to Section 12-44-55(B) of the Act, the County and the Company agree to waive the recapitulation requirements of Section 12-44-55 of the Act to the extent that and so long as the Company timely provides the County with copies of all filings required by the Act to be made by the Company with regard to the Project. If the Company should be required to retroactively comply with the recapitulation requirements of Section 12-44-55 of the Act, then the County agrees, to the extent permitted by law, to waive all penalties of the County for the Company's noncompliance.

SECTION 1.2. *Rules of Construction; use of Defined Terms.* Unless the context clearly indicates otherwise, in this Fee Agreement words and terms defined in Section 1.3 hereof are used with the meanings ascribed thereto. The definition of any document shall include any amendments to that document, unless the context clearly indicates otherwise.

SECTION 1.3. *Definitions.*

"Act" means Title 12 Chapter 44, Code of Laws of South Carolina 1976, as in effect on the date hereof, as the same may be amended from time to time.

"Administration Expenses" shall mean the reasonable attorneys' fees and other costs incurred by the County, total not to exceed \$5,000, in connection with the review of the Documents and all resolutions, ordinances and other documents relating thereto.

"Affiliate" means any entity, now existing or to be formed in the future, which controls, is controlled by, or is under common control with, the Company.

"Chair" means the Chair of County Council (or the person or persons authorized to perform the duties thereof in the absence of the Chair).

"Commencement Date" means the last day of the property tax year when Project property is first placed in service, except that this date must not be later than the last day of the property tax year which is three years from the year in which the County and the Company have entered into this Fee Agreement.

"Company" means **BMW Manufacturing Co., LLC**, a limited liability company duly organized under the laws of the State of Delaware and authorized to transact business in South Carolina, and its successors and assigns.

"County Council" means the County Council of the County.

"County" means Anderson County, South Carolina, a body politic and corporate and a political subdivision of the State, and its successors and assigns.

“County Administrator” means the County Administrator for the County (or the person or persons authorized to perform the duties thereof in the absence of the County Administrator).

“Documents” means the Ordinance and this Fee Agreement.

“DOR” means the South Carolina Department of Revenue and any successor thereto.

“Equipment” means all machinery, apparatus, equipment, fixtures, office facilities, furnishings and other personal property located at the Sites to the extent such property becomes a part of the Project under this Fee Agreement.

“Event of Default” shall mean any Event of Default specified in Section 9.1 of this Fee Agreement.

“Fee Agreement” means this Fee Agreement dated as of _____, 2020, between the County and the Company, as originally executed and from time to time supplemented or amended as permitted herein.

“Fee Term” shall mean the duration of this Fee Agreement with respect to each Stage of the Project as specified in Section 5.3 hereof.

“Inducement Resolution” shall mean the Resolution of the County Council adopted on _____, 2020, authorizing, under certain conditions, the County to enter into the Fee Agreement.

“Investment Period” shall mean the period beginning with the first day that economic development property (as defined in the Act) for the Project is purchased or acquired and ending on the last day of the tenth property tax year following the Commencement Date, subject to any extension for such period as provided in Section 3.2(b) hereof.

“Ordinance” means the Ordinance adopted by the County on _____, 2020, authorizing the County to enter into this Fee Agreement.

“Payments-in-Lieu-of-Taxes” means the payments to be made by the Company pursuant to Section 5.1 of this Fee Agreement.

“Person” shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

“Project” shall mean the Equipment which is eligible for inclusion as economic development property under the Act and which becomes subject to this Fee Agreement. The parties agree that Project property shall consist of such property so identified by the Company in connection with its annual filing with the DOR of a SCDOR PT-300, or such comparable form,

and with such schedules as the DOR may provide in connection with projects subject to the Act (as such filing may be amended or supplemented from time to time).

“Replacement Property” means any property acquired or constructed by the Company after the Investment Period as a replacement for any property theretofore forming a part of the Project and disposed of, or deemed disposed of, as provided in Section 5.2 hereof.

“Sites” means sites at which Project property is located in the County as described in Exhibit A and shall include future sites in the County, which shall be noted on schedules or supplements to Exhibit A; provided, that any requirement that the Company provide such schedules or supplements with respect to future sites may be satisfied by the Company’s filing with DOR of an SCDOR PT-300 or such comparable forms as DOR may provide in connection with projects subject to the Act.

“Stage” in respect of the Project shall mean the year within which Equipment, if any, is placed in service during each year of the Investment Period.

“State” means the State of South Carolina.

Any reference to any agreement or document in this Article I or otherwise in this Fee Agreement shall be deemed to include any and all amendments, supplements, addenda, and modifications to such agreement or document.

ARTICLE II

LIMITATION OF LIABILITY; INDUCEMENT

SECTION 2.1 *Limitation of Liability.* Anything in this Fee Agreement to the contrary notwithstanding, any obligation which the County may incur as a result of the transactions described in the Documents or with respect to the Project does not and shall never constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall never create a pecuniary liability of the County or a charge upon its general credit or against its taxing powers.

SECTION 2.2. *Inducement.* The County and the Company acknowledge that pursuant to the Act, upon execution of this Fee Agreement, and subject to the Act and the terms and conditions contained herein, the Project will be subject to Payments-in-Lieu-of-Taxes and will not be subject to ad valorem property taxation in the State, and that this factor, among others, has induced the Company to enter into this Fee Agreement.

ARTICLE III

REPRESENTATIONS, WARRANTIES AND COVENANTS

SECTION 3.1 *Representations and Warranties of the County.* The County makes the following representations and warranties to the Company and covenants with the Company as follows:

(a) The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the Act to execute the Documents to which it is a party and to fulfill its obligations described in the Documents. By proper action, the County Council has duly authorized the execution and delivery of the Documents to which the County is a party and has taken all such action as is necessary to permit the County to enter into and fully perform the transactions required of it under the Documents.

(b) Assuming the constitutionality of the Act, and to the County's actual knowledge, neither the execution and delivery of the Documents, nor the consummation and performance of the transactions described in the Documents, violate, conflict with or will result in a breach of any of the material terms, conditions or provisions of any agreement, restriction, law, rule, order or regulation to which the County is now a party or by which it is bound.

(c) To the County's actual knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any judicial or administrative court or agency, public board or body, pending or threatened, against or affecting the County, wherein an unfavorable decision, ruling or finding would materially adversely affect the County's obligations hereunder or the consummation of the transactions described in the Documents.

(d) None of the proceedings taken to authorize the execution, delivery and performance of such of the Documents as require execution, delivery and performance by the County has been repealed, revoked, amended or rescinded.

(e) All consents, authorizations and approvals required on the part of the County in connection with the execution, delivery and performance by the County of such of the Documents as require execution, delivery and performance by the County have been obtained and remain in full force and effect as of the date hereof or will be obtained.

(f) Assuming the constitutionality of the Act, the Documents to which the County is a party are (or, when executed, will be) legal, valid and binding obligations of the County enforceable against the County under present law in accordance with their respective terms, except as such terms may be limited by laws affecting creditors' rights generally.

Based on factual representations of the Company, the Project constitutes a "project" within the meaning of the Act. By due corporate action, the County has agreed that, subject to compliance

with applicable laws, each item of real and tangible personal property comprising the Project shall be considered economic development property under the Act.

SECTION 3.2. *Covenants by the County.* The County covenants with the Company as follows:

(a) The County agrees to do all things deemed by the County, in its reasonable discretion, reasonably necessary and proper as requested by the Company in writing to effectuate the intent of the Documents and the transactions contemplated by the Documents including, but not limited to, the execution, delivery and performance of its obligations in the Documents and in accordance with the Act, all for the purposes of promoting industrial development, developing trade, and utilizing and employing the manpower and natural resources of the County and the State.

(b) To the extent permitted by law, the Company may request of the County an extension of the Investment Period, for investments in excess of the statutory minimum(s), in accordance with and up to the limits permitted under Section 12-44-30(13) of the Act. The grant of any such extension by the County may be approved by a resolution of County Council. Upon the granting of any such extension the County agrees to, at the Company's expense, cooperate with the Company in assisting the Company to file with the DOR a copy of such extension within 30 days of the date of execution thereof by the County.

SECTION 3.3. *Representations and Warranties of the Company.* The Company makes the following representations and warranties to the County:

(a) The Company is a limited liability company validly existing and in good standing under the laws of Delaware and is authorized to transact business in the State of South Carolina. The Company is authorized and empowered to execute and deliver the Documents to which it is a party and to fulfill its obligations described in the Documents. The Company's fiscal year end is December 31. The Company will notify the County if the Company changes its fiscal year.

(b) The Project will consist of new or additional investments in machinery, equipment and/or other personal property used for the purpose of assembling or manufacturing automobiles and/or motorcycles and/or parts thereof, and activities related thereto.

(c) Neither the execution and delivery of the Documents to which the Company is a party, nor the consummation and performance of the transactions described in the Documents violate, conflict with, or will, to its best knowledge, result in a material breach of any of the material terms, conditions or provisions of any agreement, restriction, law, rule, order or regulation to which the Company is now a party or by which it is bound.

(d) There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any judicial or administrative court or agency, public board or body, pending or threatened, against or affecting the Company wherein an unfavorable decision, ruling or finding

would materially adversely affects the Company or the consummation of the transactions described in the Documents.

(e) All consents, authorizations and approvals required on the part of the Company in connection with the Documents and the transactions contemplated thereby and the acquisition, construction and installation of the Project have been obtained and remain in full force and effect or will be obtained.

(f) The Documents to which the Company is a party are (or, when executed, will be) legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms, except as such terms may be limited by laws affecting creditors' rights generally.

ARTICLE IV

COMMENCEMENT AND COMPLETION OF THE PROJECT

SECTION 4.1. *The Project.* The Company has acquired and/or installed or made plans for the acquisition and/or installation of certain machinery, equipment, and other personal property which comprise the Project.

Pursuant to the Act, the Company and the County hereby agree that the property comprising the Project shall be economic development property as defined under the Act, so long as such property meets the requirements of the Act.

Notwithstanding any other provision of this Fee Agreement, the Company may place property into service at any time under this Fee Agreement, but such property may only qualify as economic development property under the Act if it is placed in service during the Investment Period or is Replacement Property.

SECTION 4.2. *Diligent Completion.* The Company agrees to use its reasonable efforts to cause the acquisition and installation of the Project to be completed; however, notwithstanding anything contained in this Fee Agreement to the contrary, the Company shall not be obligated to complete the acquisition of the Project and may terminate this Fee Agreement with respect to all or portion of the Project as set forth in Article X hereof.

SECTION 4.3. *Modifications to Project.* The Company may make or cause to be made from time to time any additions, modifications or improvements to the Project that it may deem desirable for its business purposes.

SECTION 4.4. *Reports, Filings.* The Company shall provide the Anderson County Auditor, Assessor and Treasurer with a copy of all annual filings made by the Company to DOR pursuant to this Fee Agreement and the Act. Further, the Company shall cause a copy of this Fee Agreement, as well as a copy of the completed Form PT-443 of DOR, to be filed with the Anderson

County Auditor, the Anderson County Assessor and DOR within thirty (30) days after the date of execution and delivery hereof.

ARTICLE V

PAYMENTS-IN-LIEU-OF-TAXES; DISPOSITION OF PAYMENTS-IN-LIEU-OF-TAXES

SECTION 5.1. *Payments-in-Lieu-of-Taxes.* The parties acknowledge that under Article X, Section 3 of the South Carolina Constitution, the Project is exempt from ad valorem property taxes. However, the Company shall be required to make the Payments-in-Lieu-of-Taxes with respect to the Project as provided in this Section 5.1. In accordance with the Act, and unless this Fee Agreement is sooner terminated, the Company shall make annual Payments-in-Lieu-of-Taxes with respect to the Project, said payments being due and payable at the times and places, and in the same manner and subject to the same penalty assessments as prescribed by the County or DOR for ad valorem taxes. Such amounts shall be calculated and payable as follows:

(a) The Company has agreed and hereby agrees to make annual Payments-in-Lieu-of-Taxes with respect to the Project in an amount equal to the property taxes that would be due with respect to such property, if it were taxable, but using (i) an assessment ratio of 6.0%; (ii) a millage rate which is the lower of (A) the cumulative property tax millage rate levied on behalf of all taxing entities within which the Project is located on June 30 of the year preceding the calendar year in which this Fee Agreement is executed or (B) the cumulative property tax millage rate levied on behalf of all taxing entities within which the Project is located on June 30 of the calendar year in which this Fee Agreement is executed; and (iii) a fair market value estimate determined by the DOR for personal property, using the original income tax basis for South Carolina income tax purposes less depreciation allowable for property tax purposes, except that the Company is not entitled to extraordinary obsolescence. The understanding of the Company and the County is that the millage rates applicable to the Sites listed on Exhibit A are as set forth on Exhibit A.

(b) The Payments-in-Lieu-of-Taxes shall be made on the basis that the Project property, if it were otherwise subject to ad valorem property taxes, would be allowed all applicable exemptions from those taxes, except for the exemptions allowed under Section 3(g) of Article X of the South Carolina Constitution and Section 12-37-220(B)(32) and (34) of the Code of Laws of South Carolina, 1976, as amended.

(c) The Company shall make Payments-in-Lieu-of-Taxes for each year during the term hereof, as set forth in Section 5.3 hereof, beginning with the tax year following the year the Project property is first placed in service. The Payments-in-Lieu-of-Taxes shall be made to the County Treasurer on the due dates which would otherwise be applicable for ad valorem property taxes for the Project, with the first payment being due on the first date following the delivery of this Fee

Agreement when, but for this Fee Agreement, such taxes would have been paid with respect to the Project.

(d) Any property placed in service as part of the Project during the Investment Period shall be included in the calculation of payments pursuant to paragraphs (a), (b) and (c), above, for a period not exceeding 30 years following the year in which such property was placed in service. Pursuant to and subject to the Act: (i) Replacement Property shall be included (using its income tax basis) in the calculation of payments pursuant to paragraphs (a), (b) and (c), above, but only up to the original income tax basis of Project property which is being disposed of in the same property tax year; (ii) Replacement Property shall be deemed to replace the oldest Project property subject to the fee which is disposed of in the same property tax year that the Replacement Property is placed in service; (iii) more than one piece of property can replace a single piece of property; (iv) Replacement Property does not have to serve the same function as the Project property it is replacing; (v) to the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Project property which it is replacing, the portion of such property allocable to the excess amount shall be subject to annual payments calculated as if the exemption for economic development property under the Act were not allowed; and (vi) Replacement Property is entitled to Payments-in-Lieu-of-Taxes pursuant to this Section 5.1 for the remaining portion of the 30-year period referred to in this Section 5.1(d) applicable to the Project property which it is replacing. The Company shall maintain, or cause to be maintained, records sufficient to identify all Replacement Property.

SECTION 5.2. *Disposal of Property; Replacement Property.*

(a) In any instance where the Company in its sole discretion determines that any item or items of property included in the Project have become, in whole or in part, inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the Company may remove such item (or such portion thereof as the Company shall determine) or items and sell, trade in, exchange or otherwise dispose of it or them (as a whole or in part) without any responsibility or accountability to the County therefor. The loss or removal from the Project of any property, or any portion thereof, as a result of fire or other casualty or by virtue of the exercise or threat of the power of condemnation or eminent domain shall be deemed to be a disposal of such property, or portion thereof, pursuant to this Section 5.2. Subject to the provisions of Section 5.5 with regard to maintenance of statutory minimum qualifying investment, and Section 5.1(d) and this Section 5.2 with respect to Replacement Property, the Payments-in-Lieu-of-Taxes required by Section 5 hereof shall be reduced by the amount thereof applicable to any property included in the Project, or part thereof, disposed of, or deemed disposed of, pursuant to this Section 5.2.

(b) The Company may, in its sole discretion, replace, renew or acquire and/or install other property in substitution for, any or all property or portions thereof disposed of, or deemed disposed of, pursuant to Section 5.2(a) hereof. Any such property may, but need not, serve the same function, or be of the same utility or value, as the property being replaced. Absent a written election to the contrary made at the time of filing the first property tax return that would apply to

such property, such property shall be treated as Replacement Property, subject to the terms of Section 5.1(d) and the Act.

SECTION 5.3. *Fee Term.* The applicable term of this Fee Agreement shall be measured for each Stage beginning from the last day of the property tax year in which the Project property is placed in service in that Stage through the last day of the property tax year which is the twenty-ninth year following such year; provided, that the maximum term of this Fee Agreement shall not be more than 30 years from the end of the last year of the Investment Period. Unless sooner terminated pursuant to the terms and provisions herein, this Fee Agreement shall terminate with respect to the Project or any Stage or part thereof upon the earlier to occur of (a) payment of the final installment of Payments-in-Lieu-of-Taxes pursuant to Section 5.1 hereof, or (b) exercise by the Company of its option to terminate pursuant to Section 10.1 hereof.

SECTION 5.4. *Minimum Investment.* The Company agrees that it will make the minimum statutory investment in the Project during the investment period, as required by the Act, and in the event the Company fails to satisfy such requirement, then the Project shall revert retroactively to ad valorem taxation as required under Section 12-44-140 of the Act and the Company shall, within one hundred eighty (180) days of the end of the statutory investment period, make payment to the County of the difference between the Payments-in-Lieu-of-Taxes actually made and the total retroactive amount referred to in this Section 5.4, plus interest at the same rate assessed for non-payment of ad valorem taxes. Notwithstanding any termination of this Fee Agreement, the County shall have the same rights to receive payment for any retroactive ad valorem taxes, deficiency payments, and interest and the same enforcement rights as it would have with respect to ad valorem taxes, but the County shall not be entitled to receive any payments for penalties under this Section 5.4. The County's rights arising under this Section 5.4 prior to such termination shall survive any such termination.

SECTION 5.5. *Investment Maintenance.* If at any time during the term of this Fee Agreement following the period of time in which the Company must make its minimum investment required under the Act (as specified in Section 5.4 hereof), the Company's investment based on income tax basis without regard to depreciation falls below such minimum statutory investment requirement, the Company shall no longer qualify for the Payments-in-Lieu of Taxes provided herein in accordance with Section 12-44-140(C) of the Act.

ARTICLE VI

PROPERTY TAX EXEMPTION AND ABATEMENT

SECTION 6.1. *Protection of Tax Exempt Status of the Project.* In order to insure that the Project is not and will not become subject to ad valorem property taxes under the laws of the State of South Carolina or any political subdivision thereof, the County and the Company covenant that:

(a) all right and privileges granted to either party under this Fee Agreement or any other Documents shall be exercised so that if any conflict between this Section and any other provision in any document shall arise, then in that case, this Section shall control:

(b) The County and the Company have not knowingly committed or permitted and will not knowingly commit or permit (as to any act over which either has control) any act which would cause the Project to be subject to ad valorem property taxes by the County or political subdivision of the State of South Carolina in which any part of the Project is located; and

(c) The Company will maintain the identity of the Project as a “project” in accordance with the Act.

ARTICLE VII

EFFECTIVE DATE

SECTION 7.1. *Effective Date.* This Fee Agreement shall become effective as of the date first written above.

ARTICLE VIII

SPECIAL COVENANTS

SECTION 8.1. Confidentiality. The County acknowledges and understands that the Company may have and maintain at the Sites certain confidential and proprietary information. The County agrees that, except as required by law, neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to receive any such confidential or proprietary information, or (ii) shall request or be entitled to inspect the Project or any property associated therewith, in either case (i) or (ii), unless they shall comply with the remaining provisions of this Section, or (iii) shall knowingly and intentionally disclose or otherwise divulge any such confidential or proprietary information to which it may become privy to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by State law and upon providing prompt notice thereof to the Company. Prior to disclosing any confidential or proprietary information or allowing inspections of the Project or any property associated therewith, the Company may require the execution, to the extent permitted by law, of reasonably necessary, individual, confidentiality and non-disclosure agreements by any officers, employees or agents of the County or any supporting or cooperating governmental agencies who would gather, receive or review such information or conduct or review the results of any inspections, the terms of which agreements shall be in form and substance mutually acceptable to the County and the Company. In the event that the County is required by law to disclose any confidential or proprietary information obtained from the Company to any third party, the County agrees to provide the Company with prompt advance notice of such requirement before making such disclosure, and to cooperate with any attempts by the Company to obtain judicial or other relief from such disclosure requirement. If such cooperation by the County results in the County

being made a party to a lawsuit, the Company shall reimburse the County for the out-of-pocket costs incurred by the County in such litigation.

SECTION 8.2. *Indemnification Covenants*

(a) The Company shall and agrees to hold the County and its County Council members, officers, agents and employees harmless from all pecuniary liability in connection with those reasons set forth in Section 8.2(b). Such indemnification obligation shall survive any termination of this Fee Agreement.

(b) Notwithstanding the fact that it is the intention of the parties that neither the County nor any of its members, officers, agents and employees shall incur any pecuniary liability to any third-party by reason of any claim or loss or damage to property or any injury or death of any person or persons occurring in connection with the planning, design, acquisition, construction and carrying out of the Project, if the County or any of its members, officers, agents or employees should incur any such claim, loss or damage, then, in that event the Company shall indemnify and hold harmless the County and its members, officers, agents and employees against any such claim, loss or damage and all costs and expenses incurred in connection with any such claim, and upon notice and request from the County, the Company at its own expense shall defend the County and its officers, agents and employees in any such action or proceeding.

(c) Notwithstanding the foregoing, the Company shall not be obligated to indemnify the County or any of its individual members, officers, agents and employees for expenses, claims, losses or damages arising from the intentional or willful misconduct or gross negligence of the County or any of its individual officers, agents or employees.

(d) Other than as to the carrying out of any express duties of the County under this Fee Agreement, the County, prior to taking any action requested by, or reasonably necessitated by action of, the Company hereunder, shall be entitled, upon request of the County and prior notice to the Company of the need for and estimate of the expenses to be incurred and allowing the Company an opportunity prior to incurring such expenses to comment on the same, to payment by the Company of any reasonable out of pocket, direct costs incurred or expected to be incurred by the County in connection therewith, including attorneys fees.

SECTION 8.3. *Assignment and Leasing.* Subject to and pursuant to the Act, including Section 12-44-120 thereof, with the County's consent, which shall not be unreasonably withheld, any or all of the Company's interest in the Project and/or this Fee Agreement may be transferred or assigned by the Company or any assignee to any other entity; provided, however, that such consent is not required in connection with financing-related transfers or any other transfers not requiring the consent of the County under the Act. The County hereby expressly consents to any transfer or assignment by the Company of any or all of its interest in the Project and/or this Fee Agreement to any Affiliates of the Company and to any transfer or assignment of any or all of such interest among such Affiliates. Except as otherwise required by the Act or this Fee Agreement, a transaction or an event of sale, assignment, leasing, transfer of an interest herein, disposal, or

replacement of all or part of the Project shall not be a termination of this Fee Agreement in whole or in part or a basis for changing the fee payments due under Section 12-44-50 of the Act. Notwithstanding any provision of this Section to the contrary, if and to the extent that the future consent of the County is required in connection with a transfer, assignment or other action referenced in this Section, the County hereby expressly agrees that, to the extent permitted by the Act, such approval may be provided by a letter or other writing executed by the Chair and the County Administrator, and each of those two officials are hereby expressly jointly authorized to provide such consent on behalf of the County. If, notwithstanding the foregoing sentence, the Company elects to obtain additional action by County Council indicating such consent, a resolution passed by County Council shall, to the extent permitted by the Act, be sufficient to indicate such additional County Council consent.

SECTION 8.4. *Payment of Administration Expenses.* The Company will pay to or reimburse the County for amounts equal to Administration Expenses, total not to exceed \$5,000.

ARTICLE IX

EVENT OF DEFAULT AND REMEDIES

SECTION 9.1. *Events of Default Defined.* The occurrence of any one or more of the following events shall be an “Event of Default” under this Fee Agreement:

(a) If the Company shall fail to make any Payment-in-Lieu-of-Taxes or any other amount required under this Fee Agreement and such failure shall continue for 30 days after receiving written notice of default from the County; or

(b) If the Company shall fail to observe or perform any covenant, condition or agreement required herein to be observed or performed by the Company or the County (other than as referred to in Section 9.1(a) hereof), and such failure shall continue for a period of 30 days after written notice of default has been given to the Company by the County or to the County by the Company; provided if by reason of “force majeure” as hereinafter defined, the Company or the County is unable in whole or in part to carry out any such covenant, condition or agreement or if it takes longer than 30 days to cure such default and the Company is diligently attempting to cure such default, there shall be no Event of Default. The term “force majeure” as used herein shall mean circumstances not reasonably within the control of the parties, such as without limitation, acts of God, strikes, lockouts or other industrial disturbances; war; acts of public enemies; mobilization or military conscription on a large scale; order of any kind of the government of the United States or any State, or any civil or military authority other than the County Council; insurrections; riots; landslides; earthquakes; pandemics; fires; lightning; storms; droughts; floods; requisitions, confiscation, or commandeering of property; fuel restrictions; general shortages of transport, goods, or energy; or

(c) If any material representation or warranty on the part of the Company made in the Documents, or in any report, certificate, financial or other statement furnished in connection with the Documents or the transactions described in the Documents shall have been false or misleading in any material respect.

SECTION 9.2. Remedies on Default. Whenever any Event of Default shall have happened and be subsisting the County may (i) terminate this Fee Agreement by providing at least thirty (30) days' written notice to the Company specifying the termination date, or (ii) take whatever action at law or in equity may appear legally required or necessary or desirable to collect the payments and other amounts then due or to enforce performance and observance of any obligation, agreement or covenant of the Company, under the Documents. Although the parties acknowledge that the Project is exempt from ad valorem property taxes, the County and any other taxing entity affected thereby may, without limiting the generality of the foregoing, exercise the remedies provided by general law (Title 12, Chapter 49) and the Act relating to the enforced collection of taxes; it being the express intent of the parties that the County, without limitation and at a minimum, shall have the same remedies available by law to collect delinquent Payments-in-Lieu-of-Taxes as if they were delinquent ad valorem tax payments, including execution upon the lien referred to in this Section. Notwithstanding termination of this Fee Agreement, and except as set forth in Section 5.4, the County shall have the same rights to receive payment for any delinquent Payments-in-Lieu-of-Taxes, deficiency payments, interest or penalties, and the same enforcement rights, as it would have with respect to ad valorem taxes, and the County's rights under this Fee Agreement with respect to any such payments then due and owing shall survive any such termination. The County's right to receive Payments-in-Lieu-of-Taxes shall have a first priority lien status pursuant to Section 12-44-90 of the Act and Chapters 4 and 54 of Title 12 of the Code of Laws of South Carolina 1976, as amended.

SECTION 9.3. No Additional Waiver Implied by One Waiver. In the event any warranty, covenant or agreement contained in this Fee Agreement should be breached by the Company or the County and thereafter waived by the other party to this Fee Agreement, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach.

ARTICLE X

OPTION OF THE COMPANY

SECTION 10.1. Option to Terminate. From time to time (including without limitation any time during which there may be subsisting an Event of Default) and at any time upon at least 30 days notice, the Company may terminate this Fee Agreement with respect to the entire Project or any portion thereof; provided, however, that such termination shall be subject to the rights of the County under Sections 5.4, 8.2, 8.4, and 9.2 of this Fee Agreement, which rights shall survive termination of this Fee Agreement. Upon termination of all or part of this Fee Agreement, the Company will become liable for ad valorem property taxes on the Project or such portion thereof as is so terminated from inclusion in the Project, as well as for any amounts already due and owing under this Fee Agreement, which latter amounts, if any, shall be paid to the County with the next

installment of Payments-in-Lieu-of-Taxes pursuant to Section 5.1(c), or, if the termination is of the entire Project, then within 120 days of termination.

ARTICLE XI

MISCELLANEOUS

SECTION 11.1. Notices. All notices, approvals, consents, requests and other communications hereunder shall be in writing and may be delivered personally, or may be sent by certified mail, return receipt requested, to the following addresses, unless the parties are subsequently notified of any change of address in accordance with this Section 11.1:

If to the Company:	Chief Financial Officer BMW Manufacturing Co., LLC 1400 Highway 101 South Greer, SC 29651
With a copy to:	Office of Corporate Counsel BMW Manufacturing Co., LLC 1400 Highway 101 South Greer, SC 29651
If to the County:	Anderson County, South Carolina Attention: Anderson County Administrator 101 South Main Street Anderson, SC 29621

With a copy (which shall not constitute notice hereunder) to:

Anderson County Office of Economic Development
126 North McDuffie Street
Anderson, SC 29621
P.O. Box 8002
Anderson, SC 29622-8002

and

Anderson County Attorney
101 South Main Street
Anderson, SC 29621
P.O. Box 8002
Anderson, SC 29622-8002

Any notice shall be deemed to have been received as follows: (1) by personal delivery, upon receipt and (2) by certified mail, 3 business days after delivery to the U.S. Postal authorities by the party serving notice.

SECTION 11.2. *Binding Effect.* This Fee Agreement shall inure to the benefit of and shall be binding upon the County and the Company and their respective successors and assigns.

SECTION 11.3. *Invalidity and Severability.* In the event that the Act or the Payments-in-Lieu-of-Taxes arrangement described in Section 5.1 hereof is determined to be invalid or unenforceable in its entirety, the parties hereby agree that except as the final judicial decision may otherwise require, the Company shall be entitled to retain any benefits received under or pursuant to this Fee Agreement; otherwise, in the event any provision of this Fee Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, that decision shall not invalidate or render unenforceable any other provision of this Fee Agreement, unless that decision destroys the basis for the transaction, in which event the parties shall in good faith attempt to preserve, to the maximum extent possible, the benefits provided and to be provided to the Company hereunder by either restructuring or reconstituting this Fee Agreement under any then applicable law, including but not limited to Chapter 29 of Title 4 and Chapter 12 of Title 4, Code of Laws of South Carolina, as amended.

SECTION 11.4. *Payments Due on Saturday, Sunday and Holidays.* Whenever any payment to be made hereunder shall be stated to be due on a Saturday, a Sunday or a holiday, such payment shall be made on the next business day.

SECTION 11.5. *Fiscal Year; Property Tax Year.* If the Company's fiscal year changes in the future so as to cause a change in the Company's property tax year, the timing of the requirements set forth in this Fee Agreement shall be revised accordingly, except that Payments-in-Lieu-of-Taxes shall always be required to be made at the same time and subject to the same conditions, penalties, and enforcement, as with ad valorem taxes.

SECTION 11.6. *Amendments, Changes and Modifications.* Except as otherwise provided in this Fee Agreement, this Fee Agreement may not be amended, changed, modified, altered or terminated without the written consent of the County and the Company. To the maximum extent allowed by law, any such County consent, including specifically and without limitation any County consent referred to in this Fee Agreement, may be provided by a resolution of County Council, in the sole discretion of the County; provided, however, that County consent may also be provided by the Chair and the County Administrator as set forth in Section 8.3.

SECTION 11.7. *Execution of Counterparts.* This Fee Agreement may be executed in several counterparts, only one of which shall be an original; provided, however, that any action may be brought upon any counterpart of this Fee Agreement or any counterpart of any document that is attached to this Fee Agreement as an exhibit.

SECTION 11.8. *No Warranties by the County.* The Company acknowledges that no warranties or representations as to the condition or state of the Sites and so much of the other property constituting the Project as is in existence on the date of execution and delivery hereof, or title thereto, have been made by representatives of the County. The County makes no warranty, either express or implied, as to title to any part of the Project or the design, capabilities, or condition of the Project or that it will be suitable for the Company's purposes or needs.

SECTION 11.9. *Applicable Law.* This Fee Agreement shall be governed by and construed in accordance with the laws of the State. To the extent of any conflict or ambiguity between the provisions of this Fee Agreement and any applicable law, including the Act, the applicable law controls.

SECTION 11.10 *Entire Understanding.* This Fee Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Fee Agreement or in certificates delivered in connection with the execution and delivery hereof.

SECTION 11.11. *Law Governing Construction of Agreement.* The laws of the State of South Carolina shall govern the construction of this Fee Agreement.

SECTION 11.12. *Headings.* The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

SECTION 11.13. *Further Assurance.* From time to time, the County agrees to execute and deliver to the Company such additional instruments as the Company may reasonably request to effectuate the purposes of this Fee Agreement. The parties intend any action to be taken hereinafter by the County pursuant to the express provisions of this Fee Agreement may be undertaken by the Chair or County Administrator without necessity of further proceedings. To the extent additional proceedings are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Fee Agreement.

SECTION 11.14. *No Liability of County's Personnel.* Except as otherwise provided in Section 8.1, all covenants, stipulations, promises, agreements and obligations of the County contained herein shall be deemed to be covenants, stipulations, promises, agreements, and obligations of the County and not of any member of the County Council or other governing body or any officer, agent, servant, or employee of the County in his or her individual capacity, and no recourse shall be had for the payment of any moneys hereunder or the performance of any of the covenants and agreements of the County herein contained or for any claims based thereon against any member of the County Council or other governing body of the County or any officer, agent, servant, or employee of the County.

SECTION 11.15. *Execution Disclaimer.* Notwithstanding any other provision, the County is executing this Fee Agreement as statutory accommodation to assist the Company in achieving the intended benefits and purposes of the Act. The Company acknowledges that no court has reviewed the Act, particularly with respect to its interpretation as it relates to this Fee Agreement, and that there are no judicial or administrative precedents with respect to certain of the Act's provisions or certain of the ancillary and administrative provisions presented thereunder, and that the County makes no representations or warranties, either express or implied, as to the constitutionality of the Act.

**IN WITNESS WHEREOF, ANDERSON COUNTY, SOUTH CAROLINA, and
BMW MANUFACTURING CO., LLC**, each pursuant to due authority, have duly executed this
Fee Agreement, all as of the date first above written.

ANDERSON COUNTY, SOUTH CAROLINA

Tommy Dunn, Chairman
Anderson County Council

ATTEST:

Lacey Croegaert
Anderson Clerk to Anderson County Council

BMW MANUFACTURING CO., LLC

By: _____
Name: _____
Its: _____

EXHIBIT A

DESCRIPTION OF SITES

The sites listed below are the Sites as of _____, 2020, and may be supplemented as set forth in the definition of "Sites" in Section 1.3 of the Fee Agreement:

COMPANY NAME	STREET ADDRESS	CITY	ZIP	MILLAGE RATE
Champion Tooling & Machining	3035 White Hall Road	Anderson	29626	
Clariion	3410 Highway 24	Anderson	29626	
Drake Products Corporation	3401 Hwy. 24	Anderson	29622	
Euwe Eugen Wexler US	171 Alliance Pkwy	Williamston	29697	
Fraenkische Industri	416A Ellison Road	Anderson	29621	
Inergy Automotive Systems	5100 Old Pearman Road	Anderson	29623	
Mergon	5350 Old Pearman Road	Anderson	29625	
Mergon	5505 Old Pearman Rd.	Anderson	29625	
Pack IQ	1 American Way	Anderson	29621	
Plastic Omnium	5100 Old Pearman Road	Anderson	29625	
Proper Mold	101 Clemson Research Blvd.	Anderson	29625	
Proper Polymers	101 Clemson Research Blvd.	Anderson	29625	
Roylco Inc.	3251 Abbeville Hwy	Anderson	29624	

ORDINANCE NO. 2020-026

AN ORDINANCE AUTHORIZING (1) THE CONVERSION AND TRANSFER OF PROPERTY SUBJECT TO AN EXISTING LEASE AGREEMENT BETWEEN ANDERSON COUNTY, SOUTH CAROLINA (THE “COUNTY”) AND MICHELIN NORTH AMERICA, INC. (FKA MICHELIN TIRE CORPORATION) (THE “COMPANY”), TO A FEE-IN-LIEU OF PROPERTY TAXES ARRANGEMENT UNDER TITLE 12, CHAPTER 44 OF THE SOUTH CAROLINA CODE, AS AMENDED; (2) THE EXECUTION AND DELIVERY OF SUCH DOCUMENTS AS MAY BE NECESSARY TO EFFECT THE INTENT OF THIS ORDINANCE; AND (3) OTHER MATTERS RELATING THERETO.

The Anderson County council finds that:

(b) Michelin North America, Inc., a corporation organized and existing under the laws of the State of New York and qualified to do business in South Carolina (“Michelin”), previously established certain facilities in the County for the production and sale of tires and other legal activities of the Company and its affiliates (the “Project”);

(d) under the Simplified Act, the County may provide FILOT incentives with respect to the Project without the need for the County to hold title to the Project assets subject to the FILOT incentives;

(e) because Michelin (the “Company”) has an existing FILOT arrangement with the County, Section 12-44-170 of the Simplified FILOT Act permits the Company to “convert” from a title transfer FILOT arrangement under the Original FILOT Act to a non-title transfer FILOT arrangement under the Simplified FILOT Act;

(f) pursuant to Section 12-44-170(B) of the Simplified FILOT Act, the County and the Company have determined to convert and re-document the FILOT and other incentive arrangements specified in the Lease (the “Conversion”) and, in connection therewith, the County will convey to the Company its right, title and interest in and to the Project and the parties will replace the Lease and related documents in their entirety with a Conversion and Fee in Lieu of Tax Agreement (the “Fee Agreement”);

(g) simultaneously with the replacement of the Lease and related documents by the Conversion, the County shall convey and/or re-convey, as the case may be, to the Company all assets comprising the Project currently titled in the County in accordance with the terms of the Lease;

(h) all such matters are to be undertaken in accordance with the terms and provisions of the Fee Agreement now before this meeting and such Fee Agreement is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

Section 2. Approval and Execution of Fee Agreement.

(a) The County agrees to convert and re-document the FILOT and other incentives set forth in the Lease and related documents in their entirety with the Fee Agreement and the Simplified Fee Act shall govern the FILOT arrangements pertaining thereto. In furtherance of such replacement, the parties agree that the Lease will be terminated and the County will convey to the Company its right, title and interest in and to any assets comprising the Project.

(b) The form, terms and provisions of the Fee Agreement presented to this meeting and filed with the Clerk of the County Council be and hereby are approved, and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if such Fee Agreement were set out in this Ordinance in its entirety. The Chairman of the County Council and the Clerk of the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company.

(c) The Fee Agreement, attached hereto as **EXHIBIT A** is to be in substantially the form now before this meeting and hereby approved, or with any changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the County Attorney and the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of all changes therein from the form of Fee Agreement now before this meeting.

(d) The County shall, simultaneously with the execution and delivery of the Fee Agreement, convey to the Company title to the Project, and execute any and all instruments and take such other actions as are necessary to carry out the purposes intended by this Ordinance.

Section 3. Authority to Act.

The Chairman of the Council and the Clerk to Council, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to the Fee Agreement and to carry out the transactions contemplated thereby and by this Ordinance.

Section 4. Controlling Provisions.

This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina. To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Anderson County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 5. Severability.

The provisions of this Ordinance are hereby declared to be separable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

Section 6. Effective Date.

All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This Ordinance shall take effect and be in full force upon adoption by the Council.

[EXECUTION PAGE TO FOLLOW]

AND IT IS SO ORDAINED

Dated this ____ day of _____, 2020.

[SEAL]

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

First Reading: _____, 2020
Public Hearing: _____, 2020
Second Reading: _____, 2020
Third Reading: _____, 2020

CONVERSION AND FEE IN LIEU OF TAX AGREEMENT

CONVERTING AND TRANSFERRING THE PROPERTY SUBJECT TO EXISTING FEE-IN-LIEU OF PROPERTY TAXES ARRANGEMENT UNDER TITLE 4, CHAPTER 12 OF THE SOUTH CAROLINA CODE 1976, AS AMENDED, TO A FEE IN-IN-LIEU OF PROPERTY TAXES ARRANGEMENT UNDER TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Between

ANDERSON COUNTY, SOUTH CAROLINA

and

MICHELIN NORTH AMERICA, INC.

Dated as of December ____, 2020

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CONVERSION AND FEE IN LIEU OF TAX AGREEMENT

This CONVERSION AND FEE IN LIEU OF TAX AGREEMENT (this "Agreement") dated as of September ____, 2020 between ANDERSON COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, and MICHELIN NORTH AMERICA, INC., a New York Corporation authorized to do business in South Carolina acting for itself and any affiliates or other project sponsors (the "Company" and referred to collectively as the "Parties").

WITNESSETH:

WHEREAS, Anderson County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), particularly Title 4, Chapter 12 of the Code (the "Original FILOT Act"), Title 12, Chapter 44 of the Code (the "Simplified FILOT Act"); and Title 4, Chapter 1 of the Code (the "Multi-County Park Act") (collectively, the "Act") and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve industrial and commercial facilities through which the economic development of the State of South Carolina (the "State") will be promoted by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, without limitation, negotiated FILOT payments, with respect to such properties; and (iii) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors; and

WHEREAS, Michelin North America, Inc., a corporation organized and existing under the laws of the State of New York and authorized to do business in South Carolina ("Michelin"), previously established certain facilities in the County for the production and sale of tires and other legal activities of the Company and its affiliates (the "Project"); and

WHEREAS, pursuant to the Original FILOT Act, the County entered into that certain Lease Agreement between the County, as lessor, and Michelin Tire Corporation, as lessee, dated as of December 1, 1988 (the "1988 Lease") to lease that portion of the Project consisting of equipment, improvements, and real property for the purpose of providing the Company with FILOT incentives under the Original FILOT Act; and

WHEREAS, pursuant to the 1988 Lease, each portion of the Project is eligible for FILOT incentives for a period of twenty (20) years; and

Whereas, the parties amended the 1988 Lease on December 28, 2007 to provide that the original twenty-year FILOT period shall be extended for ten (10) years so that each portion of the Project is eligible for a Fee in Lieu of Taxes for thirty (30) years; and

WHEREAS, Michelin Tire Corporation changed its name to Michelin North America, Inc. on February 3, 1995; and

WHEREAS, pursuant to the 1988 Anderson County Ordinance #270 and that certain Trust Indenture dated as of December 1, 1988, among the County, Citizens and Southern Trust Company (South Carolina), National Association, and the Company, as purchaser of the Bonds (the "Indenture"), the County issued \$200,000,000 aggregate principal amount Anderson County, South Carolina Industrial Revenue Bonds (Michelin Tire Corporation Series 1988A and Series 1988B) (the "Bonds") in order to finance the costs of the acquisition, construction, installation, expansion, improvement, design and engineering of certain real properties and improvements thereto and the machinery, equipment, fixtures, office production, distribution, research development facilities and furnishings to be installed in the Project; and

WHEREAS, under the Simplified Act, the County may provide FILOT incentives with respect to the Project without the need for the County to hold title to the Project assets subject to the FILOT incentives; and

WHEREAS, because Michelin (the "Company") has an existing FILOT arrangement with the County, Section 12-44-170 of the Simplified FILOT Act permits the Company to "convert" from a title transfer FILOT arrangement under the Original FILOT Act to a non-title transfer FILOT arrangement under the Simplified FILOT Act; and

WHEREAS, pursuant to Section 12-44-170(B) of the Simplified FILOT Act, the County and the Company have determined to convert and re-document the FILOT and other incentive arrangements specified in the Lease (the "Conversion") and, in connection therewith, the County will convey to the Company its right, title and interest in and to the Project and the parties will replace the Lease and related documents in their entirety with the terms of this Agreement; and

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained; and other value, the County and the Company agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings unless the context or use indicates another or different meaning or intent.

"Act" shall mean, collectively, the Simplified FILOT Act and the Multi-County Park Act.

"Administration Expenses" shall mean the reasonable and necessary expenses incurred by the County in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions, including attorneys' fees at the hourly rates which are standard for the applicable legal services to the County, but excluding expenses incurred by the County in defending either challenges to the incentives provided herein by third parties or suits brought by the Company under **Section 9.05** hereof; provided, however, that no such expense shall be considered an Administration Expense unless the County and the Company shall have first agreed, prior to the County incurring such expense, as to the maximum amount thereof or as to the basis for which such expenses will be incurred, and that the County shall have furnished to the Company an itemized statement of all expenses incurred and provided, further, that nothing herein shall be construed as prohibiting the County from engaging the counsel of its choice for matters deemed necessary and prudent by the County.

"Affiliate" shall mean any corporation, limited liability company, partnership or other Person or entity which owns all or part of the Company or which is owned in whole or in part by the Company or by any partner, shareholder or owner of the Company.

"Agreement" shall mean this Conversion and Fee in Lieu of Tax Agreement as originally executed and from time to time supplemented or amended and as a replacement of the Lease.

"Code" shall mean the Code of Laws of South Carolina 1976, as amended through the date hereof unless the context clearly requires otherwise.

"Co-Investor" shall mean any Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(19) of the Simplified FILOT Act, any Affiliate of the Company or of any such Sponsor or Sponsor Affiliate, any developer or financial institution in a build-to-suit arrangement with respect to the Project, any lessor of equipment or other property comprising a part of the Project, any financing entity or other third party investing in or providing funds for the Project. The Company shall notify the County in writing of the identity of any other Co-Investor and shall, to the extent the Company and any such Co-Investor intend to extend the benefits of the Negotiated FILOT to property owned by or leased to such Co-Investor pursuant to **Section 7.02** hereof, qualify such Co-Investor as a Sponsor or Sponsor Affiliate pursuant to the Simplified FILOT Act. As of the date of original execution and delivery of this Agreement, the only Co-Investor with respect to the Project is the Company. As of the date of this Agreement, the Company holds title to all assets comprising the Project.

"Company" shall mean Michelin North America, Inc., a New York Corporation authorized to do business in South Carolina, and any surviving, resulting, or transferee entity in any merger, consolidation or transfer of assets permitted under **Section 7.01** hereof or any other assignee hereunder which is designated by the Company and approved by the County.

"Council" shall mean the governing body of the County and its successors.

"County" shall mean Anderson County, South Carolina, a body politic and corporate and a political subdivision of the State, and its successors and assigns.

"Deficiency Payment" shall have the meaning specified in **Section 6.01(e)** hereof.

"Department of Revenue" shall mean the South Carolina Department of Revenue.

"Economic Development Property" shall mean, with respect to the Project, each item of real and tangible personal property comprising the Project which was placed in service during the Investment Period; provided, however, such property must meet the requirements of Sections 12-44-30(6) and 12-44-40(C) of the Code, and in each case Non-Qualifying Property is specifically excluded.

"Event of Default" shall mean an Event of Default, as set forth in **Section 9.01** hereof.

"Existing Property" shall mean property previously subject to property taxes under this Agreement pursuant to Section 12-44-110 of the Simplified FILOT Act, including without limitation property which has been subject to *ad valorem* taxes in the State prior to commencement of the Investment Period or after the Investment Period, and property included in the Project as part of the repair, alteration, or modification of such previously taxed property.

"FILOT" shall mean fee in lieu of *ad valorem* property taxes.

"FILOT Payments" or "FILOT Revenues" shall mean the payments to be made with respect to the Project pursuant to **Section 6.01** hereof, including the Negotiated FILOT paid pursuant to **Section 6.01(b)** hereof, and any fee in lieu of tax payments made pursuant to the Multi-County Park Act.

"Investment Period" shall mean the period for completion of the Project, which shall mean the period commencing on January 1, 1989 and ending on December 31, 1995, as specified pursuant to Section 4-12-30(C)(3) and (D)(1)(b) of the Original FILOT Act.

"Land" shall mean the land upon which the Project has been or will be constructed, as described in **Exhibit A** attached hereto, as **Exhibit A** may be supplemented from time to time in accordance with the provisions hereof.

"Lease" shall mean that certain 1988 Lease Agreement between the County, as lessor, and the Company, as lessee, dated as of December 1, 1988.

"Leased Property" shall have the meaning ascribed to it in the Lease.

"Multi-County Park" shall mean the multi-county industrial or business park established pursuant to the Multi-County Park Agreement, and any multi-county industrial or business park which includes the Project and which is designated by the County as such pursuant to any

agreement, which supersedes or replaces the initial Multi-County Park Agreement.

"Multi-County Park Act" shall mean Title 4, Chapter 1 of the Code, as amended through the date hereof.

"Multi-County Park Agreement" shall mean that certain Multi-County Park Agreement between the County, and Greenville County, South Carolina pertaining to the Project, dated as of October 6, 1998, as amended, supplemented, or replaced from time to time to include all or any portion of the Project.

"Negotiated FILOT" or "Negotiated FILOT Payments" shall mean the FILOT payments due pursuant to **Section 6.01** hereof with respect to that portion of the Project consisting of Economic Development Property which qualifies pursuant to the Simplified FILOT Act for the negotiated assessment ratios and millage rates described in **Section 6.01(b)(ii)** hereof.

"Non-Qualifying Property" shall mean that portion of the facilities located on the Land and consisting of: (i) Existing Property; (ii) except as to Replacement Property, property which the Company places in service after the end of the Investment Period; and (iii) any other property which fails or ceases to qualify for Negotiated FILOT Payments under the Simplified FILOT Act, including without limitation property as to which the Company has terminated the Negotiated FILOT pursuant to **Section 5.03(c)** hereof.

"Original FILOT Act" shall mean Title 4, Chapter 12 of the Code.

"Person" shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

"Project" shall mean the Land described on **Exhibit A** hereto and, to extent placed in service by the Company or any Co-Investor during the Investment Period; (i) all buildings, structures, fixtures and other real property improvements constructed on the Land; (ii) all machinery, equipment, furnishings and other personal property acquired by or on behalf of the Company for use on or about the Land; and (iii) any Replacement Property replacing portions of the Project.

"Property Tax Year" shall mean the annual period which is equal to the fiscal year of the Company or any other Sponsor or Sponsor Affiliate, *i. e.*, with respect to the Company, the period ending on December 31 of each year.

"Released Property" shall include Economic Development Property which is scrapped, sold, disposed of, or released from this Agreement by the Company pursuant to **Section 5.03(c)** hereof and Section 12-44-50(B) of the Simplified FILOT Act; any portion of the Economic Development Property constituting infrastructure which the Company dedicates to the public use within the meaning of Section 12-6-3420(C) of the Code; and any Economic Development

Property damaged, destroyed, or taken by process of eminent domain and not restored or replaced.

"Replacement Property" shall mean all property installed in or at the Project in substitution of, or as replacement for, any Released Property, regardless of whether such property serves the same function as the property it replaces and regardless of whether more than one piece replaces a single piece of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pertaining to the Project, pursuant to **Section 6.01(d)** hereof and Section 12-44-60 of the Code.

"Simplified FILOT Act" shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

"Sponsor" and *"Sponsor Affiliate"* shall mean an entity whose investment with respect to the Project will qualify for the Negotiated FILOT pursuant to **Section 7.02** hereof and Sections 12-44-30(19) or (20) and Section 12-44-130 of the Code. As of the date of original execution and delivery of this Agreement, the only Sponsor or Sponsor Affiliate with respect to the Project is the Company.

"State" shall mean the State of South Carolina.

"Statutory Investment Requirement" shall mean investment with respect to the Project by any one of the Company, any other Sponsor or any Sponsor Affiliate of not less than \$2,500,000.

"Streamlined FILOT Act" shall mean Title 4, Chapter 12 of the Code, as amended through the date of execution and delivery of the Lease.

"Term" shall mean the term of this Agreement, as set forth in **Section 8.01** hereof.

"Transfer Provisions" shall mean the provisions of Section 12-44-120 of the Simplified FILOT Act, as amended through the date hereof.

Section 1.02. References to Agreement. The words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action by the Council, the County has duly authorized the execution and delivery of this Agreement and the Negotiated FILOT Payments as set forth herein, the inclusion and maintenance of the Project in the Multi-County Park, and any and all actions reasonably necessary and appropriate to consummate the transactions contemplated hereby and has obtained all consents and approvals required under the Act to carry out its obligations under this Agreement.

(b) The County has determined the Project will serve the purposes of the Act and has made all other findings of fact required by the Act in connection with the undertaking of the arrangements set forth herein.

(c) This Agreement has been duly authorized, executed and delivered on behalf of the County. The authorization, execution, and delivery of this Agreement and the performance by the County of its obligations hereunder will not, to the best knowledge of the undersigned representatives of the County, conflict with or constitute a breach of, or a default under, any South Carolina law, court or administrative regulation, decree, order, provision of the Constitution or laws of the State relating to the establishment of the County or its affairs, or any material agreement, mortgage, lease, or other instrument to which the County is subject or by which it is bound, nor, to the best knowledge of the undersigned representatives of the County, any existing law or the provisions of the Constitution of the State.

(d) To the best knowledge of the undersigned representatives of the County, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, any of which to the best knowledge of the undersigned representatives of the County could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

(e) The County has not sold, assigned, leased, mortgaged, granted easements or rights of way, encumbered, or otherwise conveyed or transferred any of its right, title or interest in the Lease, the Project or other Leased Property except as contemplated by the Lease.

Section 2.02. Representations and Warranties by Company. The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a corporation validly existing and in good standing under the laws of the State of New York and authorized to do business in the State; has all requisite power to enter into this Agreement and to carry out its obligations hereunder;

and by proper action has been duly authorized to execute and deliver this Agreement. The Company's fiscal year end is December 31, and the Company will notify the County of any changes in the fiscal year of the Company.

(b) The Company intends to operate the Project primarily for manufacturing and related activities.

(c) The agreements with the County with respect to the FILOT, and the Multi-County Park were factors in inducing the Company to locate the Project within the County and the State.

(d) No actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the Company are pending or threatened against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement, or the transactions contemplated hereby.

ARTICLE III

RE-DOCUMENTATION OF INCENTIVES AND CANCELLATION OF BONDS PERTAINING TO PROJECT

Section 3.01. Replacement of Lease and Related Documents. Each party hereby acknowledges that the other is currently in compliance with its obligations under the Lease. The Company and the County also hereby acknowledge and agree that, from and after the execution and delivery of this Agreement: (i) this Agreement shall replace the Lease and any related document in their entirety and as to all matters pertaining to the incentives applicable to the Project and (ii) the Simplified FILOT Act shall govern the Negotiated FILOT arrangements pertaining to the Project. In furtherance of such replacement, the parties agree that the Lease is hereby terminated.

Section 3.02. Conveyance by the County to the Company of Project and Other Leased Property. Simultaneously with the execution and delivery of this Agreement, the County has by delivery of a Quitclaim Deed and Bill of Sale, conveyed or re-conveyed to the Company all assets comprising the Project and other Leased Property which were heretofore titled in the County pursuant to the terms of the Lease. The County covenants and agrees to take such further steps and to execute and deliver such further instruments, agreements or other documents as shall be reasonably required by the Company to evidence or confirm such conveyance.

Section 3.03. Cancellation of Bonds Issued by the County. Each party hereby acknowledges that the other is currently in compliance with its obligations under the Indenture. The Company and the County also hereby acknowledge and agree that, from and after the execution and delivery of this Agreement, the County shall be authorized to do all things necessary to cancel the Bonds (the "Cancellation"). The parties intend that the Cancellation may be

undertaken by the Chairman of the Council without necessity of further proceedings. To the extent additional proceeds are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the Cancellation. In anticipation of execution of the Cancellation, the parties agree that the Bonds are hereby cancelled.

ARTICLE IV

COVENANTS OF COUNTY

Section 4.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept Negotiated FILOT Payments in accordance with **Section 6.01** hereof in lieu of *ad valorem* taxes with respect to that portion of the Project consisting of Economic Development Property until this Agreement expires or is sooner terminated.

Section 4.02. Multi-County Park Designation. The County has designated the Project as part of the Multi-County Park pursuant to the Multi-County Park Act and will, to the extent permitted by law, use its best, reasonable efforts to maintain such designation on terms which provide any additional job tax credits afforded by the laws of the State for projects located within multi-county industrial or business parks for all jobs created by the Company during the Investment Period. To the extent that any portion of the Project is located within the jurisdictional limits of a municipality, the County's designation of such portion of the Project as part of the Multi-County Park is subject to approval by such municipality under the Multi-County Park Act.

Section 4.03. Commensurate Benefits. The parties acknowledge the intent of this Agreement, in part, is to afford the Company the benefits specified in this **Article IV** in consideration of the Company's decision to locate and continue operating the Project within the County, and this Agreement has been entered into in reliance upon the enactment of the Act and the County's compliance with the requirements thereof. In the event that a court of competent jurisdiction holds that the Act is unconstitutional or this Agreement or agreements similar in nature to this Agreement are invalid or unenforceable in any material respect, or should the Company determine there is a reasonable doubt as to the validity or enforceability of this Agreement in any material respect, then at the request of the Company, the County agrees to use its best, reasonable efforts to extend to the Company the intended benefits of this Agreement and agrees, if requested, to enter into a lease purchase agreement with the Company pursuant to Section 12-44-160; Title 4, Chapter 29 or Title 4, Chapter 12 of the Code, as applicable, or to take such other steps as may be appropriate to extend to the Company the intended benefits of this Agreement. The Company acknowledges, if a court of competent jurisdiction holds all or part of the Simplified FILOT Act is unconstitutional or otherwise illegal, the Simplified FILOT Act provides the Company must transfer the Economic Development Property to the County within 180 days following such determination in order for the Negotiated FILOT benefits to continue to apply. In such lease purchase agreement, the County, upon the conveyance of title to the Project to the County at the expense of the Company, agrees to lease the Project to the Company.

ARTICLE V

COVENANTS OF COMPANY

Section 5.01. Investment in Project.

(a) The County hereby agrees and acknowledges that the Company has met all investment and job creation requirements with respect to the Project heretofore required by the Lease and/or the Streamlined FILOT Act and that the Company is currently in compliance with all requirements set forth in Lease and all related documents.

(b) Expenditures by Co-Investors shall, together with expenditures by the Company, count toward all investment requirements set forth in this Agreement; including, to the full extent permitted by the Simplified FILOT Act, the Statutory Investment Requirement. Aggregate investment shall generally be determined without regard to depreciation or diminution in value following placement in service at the Project by reference to the property tax returns of the Company and any Co-Investors filed with respect to the Project, including, without limitation, each such entity's SCDOR PT-300 or such comparable forms as to the Department of Revenue may provide in connection with project under the Simplified FILOT Act.

Section 5.02. Title to Project. The Company and/or its designated Co-Investors shall retain title, or other property rights, to its respective portion of the Project throughout the Term of this Agreement, and the Company and any Co-Investor shall have full right to mortgage or encumber the Project in connection with any financing transactions.

Section 5.03. Modification of Project. The Company shall have the right at any time and from time to time during the Term hereof to undertake, or permit a Co-Investor to undertake, any of the following:

(a) The Company or a Co-Investor may, at its own expense, add to the Project all such real and personal property as the Company in its discretion deems useful or desirable, including Economic Development Property qualifying for the Negotiated FILOT under **Section 6.01** hereof without any limit as to the amount thereof.

(b) Subject to the provisions of **Sections 5.04, 6.01(f)(ii) and 9.01** hereof, in any instance when the Company or a Co-Investor in its discretion determines any items included in the Project, including any portion of the Land and any other Economic Development Property, have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, the Company or such Co-Investor may remove such items or portions of the Project from the Project and sell, trade in, exchange, or otherwise dispose of them as a whole or in part without the consent of the County.

(c) Subject to **Section 6.01(f)(ii)** hereof, the Company or a Co-Investor may, at any time and in its discretion by written notice to the County, remove any Economic Development Property, real or personal, from the Negotiated FILOT set forth in this Agreement and retain such property for use as part of its operations in the County, and thereafter such property will be subject to a FILOT under the Multi-County Park Agreement which is equivalent to *ad valorem* taxes.

(d) If the Company or a Co-Investor sells, leases, or otherwise disposes of any portion of, or adds any real property to, the Land, the Company or such Co-Investor shall deliver to the County, within 30 days thereafter, a new **Exhibit A** to this Agreement.

(e) All Economic Development Property sold, leased or otherwise disposed of under this Section shall be deemed Released Property for purposes of this Agreement.

Section 5.04. Payment of Administration Expenses. The Company will reimburse the County from time to time for its Administration Expenses promptly upon written request therefor, but in no event later than sixty (60) days after receiving written notice from the County specifying the nature of such expense and requesting the payment of the same. The County acknowledges it imposes no charges in the nature of impact fees or recurring fees in connection with the incentives authorized by this Agreement, and, aside from the attorneys' fees, the County anticipates no out of pocket expenses in connection with this Agreement and the transactions authorized hereby. The parties understand that counsel to the County has estimated its fees and other expenses for review of this Agreement and all resolutions, ordinances and other documentation related thereto at \$5,000.

Section 5.05. Use of Project for Lawful Activities. During the Term of this Agreement, the Company shall use the Project as it deems fit for any lawful purpose.

Section 5.06. Records and Reports. The Company agrees to maintain such books and records with respect to the Project as will permit the identification of those portions of the Project it has placed in service in each Property Tax Year during the Investment Period, the amount of investment with respect thereto and computations of all Negotiated FILOT Payments made hereunder and will comply with all reporting requirements of the State and the County applicable to Economic Development Property under the Act, including without limitation the reports required by 12-44-90 of the Code (collectively, "Filings"); provided, however, that the parties hereby waive in its entirety the requirement under Section 12-44-55 of the Simplified FILOT Act for a recapitulation of the terms of this Agreement. Specifically, the Company shall provide the following:

(a) Each year during the Term hereof, the Company shall deliver to the County Auditor and the County Assessor a copy of its most recent annual filings made with the Department of Revenue with respect to the Project at the same time as delivery thereof to the Department of Revenue.

(b) The Company shall cause a copy of this Agreement, as well as a copy of the completed Form PT-443 required by the Department of Revenue, to be filed within thirty (30) days after the date of execution and delivery hereof with the County Auditor and the County Assessor of the County and of each county which is a party to the Multi-County Park Agreement, and with the Department of Revenue and shall update such Form PT-443 from time to time to the extent that the information therein is no longer accurate.

Notwithstanding any other provision of this Section, the Company may, by clear, written designation, conspicuously marked, designate with respect to any Filings delivered to the County segments thereof that the Company believes contain proprietary, confidential, or trade secret matters. The County shall comply with all reasonable, written requests made by the Company with respect to maintaining the confidentiality of such designated segments. Except to the extent required by law, the County shall not knowingly and voluntarily release information, which has been designated as confidential or proprietary by the Company.

ARTICLE VI

FEES IN LIEU OF TAXES

Section 6.01. Payment of Fees in Lieu of *Ad Valorem* Taxes

(a) In accordance with the Simplified FILOT Act, the parties hereby agree that there shall be due annually with respect to that portion of the Project constituting Economic Development Property, whether owned by the Company or by a Sponsor or Sponsor Affiliate, a Negotiated FILOT calculated as set forth in this Section, at the places, in the manner and subject to the penalty assessments prescribed by the County or the Department of Revenue for *ad valorem* taxes. The Negotiated FILOT Payments shall initially be due under current Code requirements on the January 15 following the year in which the County adds the Economic Development Property to its tax rolls, and each January 15 thereafter as set forth in this Agreement. If the Company designates any additional Sponsor or Sponsor Affiliates, as the same shall have been consented to by the County pursuant to **Section 7.02** hereof, the Company must notify the County in writing at the time of such designation as to whether such Sponsor or Sponsor Affiliate shall be primarily liable for all or any portion of the FILOT Payments hereunder. Unless and until such notification is received, and the County consents in writing, the Company shall be primarily liable for all FILOT Payments with respect to the Project.

(b) Subject to adjustment pursuant to the provisions of this **Section 6.01**, the Negotiated FILOT shall be calculated each year in accordance with the following provisions:

(i) For each annual increment of investment in Economic Development Property during the Investment Period, the annual Negotiated FILOT Payment with respect to the Project shall be payable for a period of thirty (30) years, all in accordance with Section 12-44-30(21) of the Simplified FILOT Act. Accordingly,

if such Economic Development Property is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a payment period of thirty (30) years up to an aggregate of thirty-seven (37) years.

(ii) The Negotiated FILOT applicable to the Project shall be calculated using (1) an assessment ratio of 6%; (2) a millage rate of 187.5 mills for the Project, which was the millage rate applicable under the Lease and which rate shall be fixed in accordance with Section 12-44-50(A)(1)(b)(i) of the Code for the entire 30 years specified in clause (i) above for the Project; and (3) the fair market value of such Economic Development Property determined as provided hereinbelow. Such Negotiated FILOT shall be calculated in accordance with the standard fee calculation method specified in accordance with clauses (1) and (2) of Section 12-44-50(A) of the Code.

(iii) For purposes of calculating the Negotiated FILOT provided herein, fair market value shall be determined in accordance with Section 12-44-50(A)(1)(c) of the Code, which, for typical arm's length construction or acquisition, uses the original income tax basis for any real property without regard to depreciation or reassessment and the original income tax basis for any personal property less allowable depreciation (except depreciation due to extraordinary obsolescence).

(iv) All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the five-year exemption from County taxes allowed for certain manufacturing, distribution, corporate headquarters and research and development facilities pursuant to Section 3(g) of Article X of the Constitution of the State and Sections 12-37-220(B)(32) and (34) of the Code.

(v) For purposes of calculating the Negotiated FILOT, Economic Development Property shall not include any Released Property or Non-Qualifying Property.

(c) The Negotiated FILOT Payments with respect to the Project are to be recalculated:

(i) to reduce such payments in the event the Company or any Sponsor or Sponsor Affiliate disposes of any part of the Economic Development Property within the meaning of Section 12-44-50(B) of the Simplified FILOT Act and as provided in **Section 5.03(b)** hereof, by the amount applicable to the Released Property;

(ii) to reduce such payments in the event that the Economic Development Property or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, or otherwise removed from the Project as a result of reasons beyond the control of the Company or any Sponsor or Sponsor Affiliate;

(iii) to increase such payments in the event the Company or any Sponsor or Sponsor Affiliate adds any Economic Development Property (other than Replacement Property) to the Project; or

(iv) to adjust such payments if the Company or any Sponsor or Sponsor Affiliate elects to convert any portion of the Economic Development Property to *ad valorem* taxes or a FILOT equivalent to such *ad valorem* taxes, as permitted by **Section 5.03(c)**;

(d) Upon installation or placing in service of any Replacement Property for any Released Property, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(i) Such Replacement Property does not have to serve the same function as the Released Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the Negotiated FILOT, whether real or personal, which is disposed of in the same Property Tax Year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Released Property which it is replacing in the same Property Tax Year. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Released Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes or FILOT equivalent which would have been paid on such property but for this Agreement. Replacement Property is entitled to the Negotiated FILOT Payments for the remaining portion of the thirty-year payment period applicable to the Released Property.

(ii) The Company shall maintain, or cause to be maintained, records sufficient to identify all Replacement Property, and the Negotiated FILOT Payments with respect thereto shall be calculated using the millage rate, assessment ratio and calculation method applicable to the Released Property it is replacing.

(e) In the event that, for any reason, the Simplified FILOT Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Company

benefits commensurate with those intended under this Agreement as permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there shall be due hereunder with respect to the portion of the Economic Development Property affected by such circumstances *ad valorem* taxes or the FILOT equivalent and that, to the extent permitted by law, the Company and any affected Sponsors or Sponsor Affiliates shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation or other diminution in value; and (3) to receive all other tax credits which would be due if they were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are subject to retroactive adjustment, then there shall be due and payable with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, together with interest on such deficiency as provided in Section 12-54-25(D) of the Code (a "Deficiency Payment").

(f)

(i) As provided in **Section 5.01(a)** hereof, the County acknowledges that the Company has met all statutory requirements regarding investment in the Project.

(ii) In the event that the Company's investment in the Project based on an income tax basis without regard to depreciation or other diminution in value falls below the Statutory Investment Requirement, the Project shall thereafter be subject to *ad valorem* taxes or the FILOT equivalent, calculated as set forth in paragraph (e) above.

(iii) As noted in **Section 5.01(a)** above, the County acknowledges that the Company has met all contractual requirements under the Lease regarding investment and job creation at the Project.

(iv) In accordance with the provisions of **Sections 5.01(c)** and **7.02** hereof, except for Existing Property, all property utilized by the Company within the County, whether owned by the Company outright or utilized by the Company pursuant to any financing agreement or any lease or other arrangement with any Co-Investor and whether or not subject to this Agreement, shall be counted toward all investment obligations under this Agreement, including, to the extent permitted by law, investment obligations under the Act.

(g) Except as otherwise set forth in this Agreement or as otherwise required by the Act, any amounts due to the County under this **Section 6.01** as a Deficiency

Payment or other retroactive payment shall, at the option of the Company, be paid either as a lump sum within one year of receipt by the Company from the County of a written notice requesting the payment thereof, or in five equal annual installments (which shall include interest at the rates required for past due payments of *ad valorem* taxes) beginning on the date which is one year after receipt of such notice. If the Company elects to pay any such amount over such five-year period, the Company shall furnish to the County such security or other assurances as the County may reasonably request in order to secure the payment of such Deficiency Payments.

Section 6.02. Statutory Lien. The parties acknowledge the County's right to receive FILOT Revenues hereunder shall have a statutory lien with respect to the Economic Development Property pursuant to Section 12-44-90(E) of the Simplified FILOT Act and Title 12, Chapter 54 of the Code relating to the collection and enforcement of *ad valorem* property taxes.

ARTICLE VII

THIRD PARTY ARRANGEMENTS

Section 7.01. Conveyance of Liens and Interests; Assignment. The Company and any Sponsor or Sponsor Affiliate may at any time (a) transfer all or any of its rights and interests hereunder or with respect to all or any part of the Economic Development Property to any Person; or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing entity or other Person with respect to this Agreement or all or any part of the Economic Development Property, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such Economic Development Property, as long as the transferee in any such arrangement leases the Economic Development Property in question to the Company or any other Sponsor or Sponsor Affiliates or any Affiliates thereof or operates such assets for the Company or other Sponsor or Sponsor Affiliate or any Affiliates thereof or is leasing such the Economic Development Property in question from the Company or other Sponsor or Sponsor Affiliate or any Affiliates thereof. In order to preserve the benefits of the Negotiated FILOT hereunder with respect to property so transferred: (i) except in connection with any transfer to an Affiliate of the Company or another Sponsor or Sponsor Affiliate or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company or such other Sponsor or Sponsor Affiliate shall first obtain the written consent of the County which consent shall not be unreasonably withheld and shall be furnished within 30 days of request; and (ii) except when a financing entity which is the income tax owner of all or part of the Economic Development Property is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company hereunder, or when the County consents in writing or when the transfer relates to Released Property pursuant to **Sections 5.03** hereof, no such transfer shall affect or reduce any of the obligations of the Company or such other Sponsor or Sponsor Affiliate hereunder. The Company or such other Sponsor or Sponsor Affiliate, transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished

to the County and the Department of Revenue a true and complete copy of any such transfer agreement, and the Company or such other Sponsor or Sponsor Affiliate and the transferee shall comply with all other requirements of the Transfer Provisions.

Subject to County consent when required herein, and at the expense of the Company or such other Sponsor or Sponsor Affiliate, the County agrees to execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or such other Sponsor or Sponsor Affiliate under this Agreement and/or any release of the Company or such other Sponsor or Sponsor Affiliate pursuant to this **Section 7.01**.

Section 7.02. Sponsors and Sponsor Affiliates. The Company may designate from time to time additional Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Simplified FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Company and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of the Company or other Persons described in **Section 7.01(b)** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the Simplified FILOT Act must be approved by Resolution of the County Council. To the extent that a Sponsor or Sponsor Affiliate invests an amount equal to the Statutory Investment Requirement at the Project prior to the end of the Investment Period, the investment by such Sponsor or Sponsor Affiliate shall qualify for the Negotiated FILOT payable under **Section 6.01** hereof (subject to the other conditions set forth herein) in accordance with Section 12-44-30(19) of the Simplified FILOT Act. Because the aggregate investment in the Project prior to the end of the Investment Period by the Company, all Sponsors and Sponsor Affiliates exceeded \$5,000,000 as provided in Section 12-44-30(19) of the Simplified FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the Negotiated FILOT pursuant to **Section 6.01** of this Agreement (subject to the other conditions set forth herein) regardless of whether each such entity invested amounts equal to the Statutory Investment Requirement. The Company shall provide the County and the Department of Revenue with written notice of any Sponsor or Sponsor Affiliate designated pursuant to this **Section 7.02** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Economic Development Property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Simplified FILOT Act.

ARTICLE VIII

TERM; TERMINATION

Section 8.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company executed the Lease, and ending at midnight on

the day the last Negotiated FILOT Payment is made hereunder. In no event shall this Agreement extend beyond January 15, 2026

Section 8.02. Termination. In addition to the rights of the County under Sections 6.01(g) and 9.02, the County and the Company may jointly agree to terminate this Agreement at any time, or the Company, may, at its option, terminate this Agreement at any time, with respect to **all** or a portion of the Project in which event the Project, or such portion of the Project, shall be subject to *ad valorem* taxes from the date of termination. Notwithstanding termination of this Agreement, the County shall have the same rights to receive payment for any retroactive *ad valorem* taxes, Deficiency Payments, interest or penalties, and the same enforcement rights with respect to such obligations as it would have with respect to *ad valorem* taxes, and the County's rights arising under **Section 6.01** prior to the time of such termination shall survive any such termination.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.01. Events of Default by Company. Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default by the Company:

(a) if default shall be made in the due and punctual payment of any Negotiated FILOT Payments, which default shall not have been cured within thirty (30) days following receipt of written notice of such default from the County; or

(b) if default shall be made by the Company in the due performance of or compliance with any of the terms hereof, other than those referred to in the foregoing paragraph (a), and such default shall continue for ninety (90) days after the County shall have given the Company written notice of such default; provided, the County may, in its discretion, grant the Company a longer period of time as necessary to cure such default if the Company proceeds with due diligence to cure such default; provided however, that no Event of Default shall exist under this agreement during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Company has contested the occurrence of such default.

Failure to meet any investment requirements set forth herein shall not be deemed to be an Event of Default under this Agreement, but may allow the County to terminate or adjust certain benefits hereunder or obligate the Company to make certain additional payments to the County, all as set forth in **Sections 5.04, 8.02 and 6.01(f)** hereof.

Section 9.02. Remedies on Event of Default by Company. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies:

(a) terminate this Agreement by delivery of written notice to the Company not less than sixty (60) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Company pertaining to the construction, acquisition, or maintenance of the Project or calculation of the Negotiated FILOT pursuant hereto as provided in **Section 5.06** hereof; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amount then due or enforce the County's rights hereunder, it being the express intent of the parties that the County, without limitation, shall have the same remedies available by law to collect FILOT Payments as if they were delinquent *ad valorem* tax payments, including execution upon the lien referred to in **Section 6.02** hereof.

Notwithstanding termination of this Agreement, the County shall have the same rights to receive payment for any *ad valorem* taxes, including any retroactive *ad valorem* taxes, Deficiency Payments, interest or penalties, and the same enforcement rights, as it would have with respect to *ad valorem* taxes, and the County's rights under **Section 6.01(f)** and this **Section 9.02** with respect to any such payments then due and owing shall survive any such termination.

Section 9.03. Defaulted Payments. In the event the Company should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of the Company until the amount in default shall have been fully paid. If any such default relates to its obligations to make FILOT Payments hereunder, the Company agrees to pay the same with interest thereon at the rate per annum provided by the Code for late payment of *ad valorem* taxes together with any penalties provided by the Code for late payment of *ad valorem* taxes, all as provided in Section 12-44-90 of the Code.

Section 9.04. Application of Monies upon Enforcement of Remedies against Company. Any monies received by the County upon enforcement of its rights hereunder shall be applied as follows: first, to the reasonable costs associated with such enforcement proceedings; second, to pay Administration Expenses; third, to pay the Negotiated FILOT in accordance with **Section 6.01** hereof, and, fourth, to other amounts due and payable hereunder.

Section 9.05. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Company may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation a suit for *mandamus* or specific performance.

ARTICLE X

MISCELLANEOUS

Section 10.01. Rights and Remedies Cumulative; Third Party Beneficiary. Each right, power, and remedy of the County or of the Company provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers, and remedies are sought to be enforced; and the exercise by the County or by the Company of any one or more of the rights, powers, or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company of any or all such other rights, powers, or remedies.

Section 10.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, any Sponsor or Sponsor Affiliates designated pursuant to **Section 7.02** hereof and their respective successors and assigns as permitted hereunder.

Section 10.03. Notices; Demands; Requests. All notices, demands, and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid, or reputable courier service, to the following persons and addresses or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

Anderson County
Attn.: County Administrator
101 South Main Street
Anderson, South Carolina 29624

(b) with a copy (which shall not constitute notice) to:

Leon Harmon, Esq.
Anderson County Attorney
Post Office Box 8002
Anderson, South Carolina 29622

(c) As to the Company:

Michelin North America, Inc.
Attn: Brock Christ
1 Parkway S.
Greenville, South Carolina 29615

(d) with a copy (which shall not constitute notice) to:

Burnet R. Maybank III, Esq.
Andrew W. Saleeby, Esq.
Nexsen Pruet, LLC
1230 Main Street, Suite 700
Columbia, South Carolina 29201

Section 10.04. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina. To the extent of any conflict between the provisions of this Agreement and the Act, the Act controls.

Section 10.05. Substantive Terms. It is the intent of the parties hereto that the substantive terms of this Agreement set forth herein to be identical to the terms of the Lease as attached hereto by reference as **Exhibit B**. If there are any inconsistencies set forth herein (except for the statutory different authorities of the Original FILOT Act and the Simplified FILOT Act), the substantive terms of the Lease shall prevail.

Section 10.06. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 10.07. Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 10.08. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 10.09. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

Section 10.10. Amendments. Subject to the limitations set forth in Section 12-44-40(K)(2) of the Simplified FILOT Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by both parties.

Section 10.11. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 10.12. Further Proceedings. This Agreement in final form shall be approved by ordinance of the County Council. The parties intend that any action to be taken hereinafter by the County pursuant to the express provisions of the final form of this Agreement may be undertaken by the Chairman of the Council without necessity of further proceedings. To the extent additional proceedings are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.

[Execution Pages to Follow]

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Conversion and Fee in Lieu of Tax Agreement to be effective as of the date first written above.

FOR ANDERSON COUNTY:

By: _____
Tommy Dunn, Chairman
Anderson County Council

[SEAL]

ATTEST:

By: _____
Lacey Croegaert
Anderson County Clerk to Council

MICHELIN NORTH AMERICA, INC.

By: _____
Name: _____
Title: _____

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B
LEASE AGREEMENTS

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

)
)
)

**QUITCLAIM DEED
(OF ALL RIGHT, TITLE,
AND INTEREST)**

THIS QUITCLAIM DEED (OF ALL RIGHT, TITLE, AND INTEREST) is given by ANDERSON COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (hereinafter referred to as "Grantor"), to MICHELIN NORTH AMERICA, INC. (fka Michelin Tire Corporation), a Corporation organized and existing under the laws of the State of New York, and qualified to do business in South Carolina, with a mailing address of One Parkway South, Post Office Box 19001, Greenville, South Carolina 29602-9001 (hereinafter referred to as "Grantee").

RECITALS:

WHEREAS, Grantor, as lessor, and Grantee, as lessee, are parties to that certain Lease Agreement dated as of December 1, 1988 (the "Lease") and recorded in the office of the Anderson County Register of Deeds (the "Recording Office") at Book 777, Page 001 pertaining to certain property owned by Grantor (as hereinafter described in more detail, the "Property"); and

WHEREAS, Grantee has determined to exercise its option to purchase the Property pursuant to Section 5.2 of the Lease; and

WHEREAS, Grantee has satisfied all of the requirements set forth in the Lease for the purchase of the Property; and

WHEREAS, Grantor desires and intends hereby to release, remise, and forever quitclaim to Grantee any and all interest in the Property heretofore titled in Grantor.

GRANT:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that Grantor, for and in consideration of the sum of One and No/100 Dollar (\$1.00), lawful money of the United States, and no other valuable consideration, to it well and truly paid by Grantee, at and before the sealing and delivery hereof, the receipt and sufficiency of which is hereby acknowledged, has hereby released, remised, and quitclaimed, and by these presents does hereby release, remise, and forever quitclaim unto the said Grantee, its successors and assigns, forever, all of Grantor's right, title, and interest in and to the following described property, including any and all fixtures and improvements thereon (the "Property"):

See Exhibit A attached hereto and incorporated herein by reference.

GRANTEE'S MAILING ADDRESS: One Parkway South, Post Office Box 19001, Greenville, South Carolina 29602-9001

TOGETHER with all and singular, the rights, members, buildings, improvements, and fixtures situated on the Property and all hereditaments and appurtenances to the Property belonging or in anywise incident or appertaining and all of the estate and rights of the Grantor in and to the Property.

TO HAVE AND TO HOLD all and singular the said premises and interest quitclaimed above unto Grantee and the successors and assigns of Grantee, forever, so that neither Grantor, nor the successors or assigns of Grantor nor any other person or persons claiming under Grantor, or any of them,

shall at any time hereafter, by any way or means, have, claim or demand any right or title to the Property or appurtenances or any part or parcel thereof, forever.

[SIGNATURE PAGE ATTACHED]

WITNESS Grantor's hand and seal effective as of the ____ day of _____, 2020.

SIGNED, SEALED AND DELIVERED

GRANTOR:

IN THE PRESENCE OF:

FOR ANDERSON COUNTY:

Witness Number 1

By: _____ (SEAL)
Tommy Dunn, Chairman
Anderson County Council

Witness Number 2

ATTEST:

By: _____ (SEAL)
Lacey Croegaert
Anderson County Clerk to Council

STATE OF SOUTH CAROLINA

)

)

ACKNOWLEDGMENT

COUNTY OF ANDERSON

)

I, _____ a notary public for the State of South Carolina, do hereby certify that ANDERSON COUNTY, SOUTH CAROLINA, by Tommy Dunn, its Chairman of County Council, and attested to by Lacey Croegaert, its Clerk to County Council, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and seal (where an official seal is required by law) official seal, this ____ day of _____, 2020.

_____(SEAL)

Signature of Notary Public

My Commission Expires: _____

EXHIBIT A

DESCRIPTION OF PROPERTY CONVEYED:

**THIS INSTRUMENT WAS PREPARED BY AND UPON COMPLETION OF
RECORDATION PROCESS, PLEASE RETURN TO:**

**BURNET R. MAYBANK III, ESQUIRE
ANDREW W. SALEEBY, ESQUIRE
NEXSEN PRUET, LLC
POST OFFICE BOX 2426
COLUMBIA, SOUTH CAROLINA 29202**

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

)
)

AFFIDAVIT

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

1. I have read the information on this affidavit and I understand such information.
2. The property being transferred is located in the County of Anderson, bearing Anderson County Tax Map Number _____, and was transferred by Anderson County, South Carolina to Michelin North America, Inc. on the date shown on the foregoing deed.
3. Check one of the following: The deed is
 - (a) _____ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
 - (b) _____ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
 - (c) X _____ exempt from the deed recording fee because (See Information Section of Affidavit): #1 (If exempt, please skip items 4 - 7, and go to item 8 of this affidavit.). Exemption (1) (\$1.00).
4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit):
 - (a) _____ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of \$ _____.
 - (b) _____ The fee is computed on the fair market value of the realty which is _____.
 - (c) _____ The fee is computed on the fair market value of the realty as established for property tax purposes which is _____.
5. Check Yes _____ or No _____ to the following: A lien or encumbrance on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "Yes," the amount of the outstanding balance of this lien or encumbrance is _____.
6. The deed recording fee is computed as follows:
 - (a) _____ Place the amount listed in item 4 above here: \$ _____
 - (b) _____ Place the amount listed in item 5 above here: \$ _____
(If no amount is listed, place zero here.)
 - (c) _____ Subtract Line 6(b) from Line 6(a) and place result here: \$ _____
7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is \$ _____.
8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: Grantor
9. I understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Sworn to before me this ____
____ (SEAL)
day of _____, 2020
Notary Public for _____
My Commission Expires: _____

Tommy Dunn, Chairman, County Council
Anderson County, South Carolina

INFORMATION

Except as provided in this paragraph, the term “value” means “the consideration paid or to be paid in money or money’s worth for the realty.” Consideration paid or to be paid in money’s worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership

interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right. The fair market value of the consideration must be used in calculating the consideration paid in money’s worth. Taxpayers may elect to use the fair market value of the realty being transferred in determining fair market value of the consideration. In the case of realty transferred between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, and in the case of realty transferred to a trust or as a distribution to a trust beneficiary, “value” means the realty’s fair market value. A deduction from value is allowed for the amount of any lien or encumbrance existing on the land, tenement, or realty before the transfer and remaining on the land, tenement, or realty after the transfer. Taxpayers may elect to use the fair market value for property tax purposes in determining fair market value under the provisions of the law.

Exempted from the fee are deeds:

- (1) transferring realty in which the value of the realty, as defined in Code Section 12-24-30, is equal to or less than one hundred dollars;
- (2) transferring realty to the federal government or to a state, its agencies and departments, and its political subdivisions, including school districts;
- (3) that are otherwise exempted under the laws and Constitution of this State or of the United States;
- (4) transferring realty in which no gain or loss is recognized by reason of Section 1041 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (5) transferring realty in order to partition realty as long as no consideration is paid for the transfer other than the interests in the realty that are being exchanged in order to partition the realty;
- (6) transferring an individual grave space at a cemetery owned by a cemetery company licensed under Chapter 55 of Title 39;
- (7) that constitute a contract for the sale of timber to be cut;
- (8) transferring realty to a corporation, a partnership, or a trust in order to become, or as, a stockholder, partner, or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increase in value in such stock or interest held by

the grantor. However, the transfer of realty from a corporation, a partnership, or a trust to a stockholder, partner, or trust beneficiary of the entity is subject to the fee even if the realty is transferred to another corporation, a partnership, or trust;

(9) transferring realty from a family partnership to a partner or from a family trust to a beneficiary, provided no consideration is paid for the transfer other than a reduction in the grantee's interest in the partnership or trust. A "family partnership" is a partnership whose partners are all members of the same family. A "family trust" is a trust, in which the beneficiaries are all members of the same family. The beneficiaries of a family trust may also include charitable entities. "Family" means the grantor and the grantor's spouse, parents, grandparents, sisters, brothers, children, stepchildren, grandchildren, and the spouses and lineal descendants of any of the above. A "charitable entity" means an entity which may receive deductible contributions under Section 170 of the Internal Revenue Code as defined in Section 12-6-40(A);

(10) transferring realty in a statutory merger or consolidation from a constituent corporation to the continuing or new corporation;

(11) transferring realty in a merger or consolidation from a constituent partnership to the continuing or new partnership; and,

(12) that constitute a corrective deed or a quitclaim used to confirm title vested in the grantee, provided that no consideration of any kind is paid or is to be paid under the corrective or quitclaim deed.

STATE OF SOUTH CAROLINA)
) **CANCELLATION OF BONDS**
COUNTY OF ANDERSON)

Anderson County, South Carolina (the “**County**”), acting by and through its County Council (the “**County Council**”), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the “**Code**”), and particularly Title 4, Chapter 29 (the “**Original FILOT Act**”), Title 4, Chapter 12 (the “**Streamlined FILOT Act**”), and Title 12, Chapter 44 (the “**Simplified FILOT Act**”) of the Code (i) to enter into agreements whereby business enterprises will construct, operate, maintain, and improve industrial and commercial facilities through which the economic development of the State of South Carolina (the “**State**”) will be promoted; and (ii) to covenant with such business enterprises to accept certain fee in lieu of *ad valorem* tax (“**FILOT**”) payments, including, but not limited to, negotiated FILOT payments pursuant to the Original FILOT Act, the Streamlined FILOT Act, or the Simplified FILOT Act, as the case may be, with respect to such facilities.

Pursuant to the Original FILOT Act and the 1988 Anderson County Ordinance #270, which was duly enacted by the County Council on December 20, 1988, respectively, Michelin North America, Inc. (fka Michelin Tire Corporation), a corporation organized and existing under the laws of the State of New York (the “**Company**”) and the County previously entered into that certain Lease Agreement dated as of December 1, 1988 (as amended and restated by those certain Amendments to Lease Agreement by and between the County and the Company dated as of September 18, 1990, April 17, 1991, and December 28, 2007, the “**Lease**”), whereby the Company established certain facilities located in the County which facilities have been used by the Company primarily to manufacture tires and related products and to conduct research, development, distribution, office and other legal activities and function with respect thereto (the “**Project**”) and pursuant to which the Company previously made certain negotiated FILOT payments to the County with respect to the Project, all in accordance with the Original FILOT Act.

In order to finance the costs of the acquisition, construction, installation, expansion, improvement, design and engineering of certain real properties and improvements thereto and the machinery, equipment, fixtures, office production, distribution, research development facilities and furnishings to be installed in the Project, the County issued its \$200,000,000 **aggregate principal amount** Anderson County, South Carolina Industrial Revenue Bonds (Michelin Tire Corporation Series 1988A and Series 1988B) (the ***“Bonds”***) pursuant to 1988 Anderson County Ordinance #270 and that certain Trust Indenture dated as of December 1, 1988, among the County, Citizens and Southern Trust Company (South Carolina), National Association, and the Company, as purchaser of the Bonds (the ***“Indenture”***) and the Original FILOT Act.

Pursuant to Section 12-44-170 of the Simplified FILOT Act, the County and the Company have converted and re-documented the negotiated FILOT and other incentive arrangements specified in the Lease pursuant to that certain Conversion and Fee in Lieu of Tax Agreement dated as of _____, 2020 (the ***“Fee Agreement”***) between the County and the Company and further agreed in the Fee Agreement that the Bonds were thereby cancelled and the Lease was thereby terminated. In conjunction with such conversion and re-documentation, and in accordance with Section 12-44-170(B) of the Simplified FILOT Act and with the provisions of the Lease, the

County further agreed in the Fee Agreement to convey, and has conveyed, to the Company its right, title and interest in and to the Project.

In order to effect cancellation of the Bonds, the Company agrees to simultaneously herewith pay to the order of Citizens and Southern Trust Company (South Carolina), National Association, or its successor or successors in interest with regard to the Indenture (the "Trustee"), the principal of the Bonds issued and secured thereunder, the interest due or to become due thereon, and all sums of money due or to become due to the Trustee in accordance with the terms and provisions of the Indenture.

In consideration of the County's conveyance of the Project to the Company, the Company and the County hereby agree, affirm, and ratify that the Bonds have been cancelled and agree that the County shall have no further obligation to the Company thereunder.

IN WITNESS WHEREOF, I have hereunto set my hand effective as of the ____ day of _____, 2020.

MICHELIN NORTH AMERICA, INC.

By: _____
Name: _____
Title: _____

ANDERSON COUNTY, SOUTH CAROLINA

By: _____
Tommy Dunn, Chairman
Anderson County Council

Attest:

Rusty Burns
Anderson County Administrator

As contemplated by the bond ordinance, the Michellin Tire Corporation (the "Company") is to convey title to the project to the county in phases on or before the date of issuance of each series of bonds by bills of sale and, if any real property is included in the phase, by title to real estate. Pursuant to a lease agreement between the county and the Company, the County has agreed to lease the project (and each phase thereof) back to the Company in return for rental payments that are exactly equal and fully sufficient to make the payments due under the bonds by the County.

Pursuant to a bond ordinance dated December 30, 1955 (the "Bond Ordinance"), the Anderson County Council authorized the issuance of Anderson County Industrial Revenue Bonds in an aggregate principal amount not exceeding \$400,000,000 for the purpose of financing the costs of the acquisition, construction and installation of additional or improved machinery and equipment, buildings, improvements, or fixtures constituting an expansion or improvement of the Michellin Tire Corporation's existing manufacturing facility in Anderson County, South Carolina. The project in Anderson County is an integral part of a project involving an expansion of the Michellin Tire Corporation's manufacturing facilities in Anderson, Lexington and Spartanburg Counties, South Carolina and is: (1) part of a project within the meaning of Section 4-29-10 of the Bond Act which is located in one or more counties; (2) a project which involves an initial investment of at least \$25,000,000 within the meaning of Section 4-29-67 of the Bond Act; (3) a project which, at the time of the issuance of the bonds which are a part of the project, shall have involved expenditures of at least \$25,000,000; and/or (4) a project which shall involve an initial investment of at least \$25,000,000 in Anderson County.

MICHELLIN

STATE OF SOUTH CAROLINA)
COUNTY OF ANDERSON)
TITLE TO REAL ESTATE

1962 Real Property
(Transfer)

Anderson County,
South Carolina
Main Street
Anderson, South Carolina 29621

19672

BOOK 1076 PAGE 203

Recorded and indexed in the office of the Register of Deeds, St. Louis, Missouri, September 10, 1933.

Signed, sealed and delivered MICHAEL TINE CORPORATION (GRANTOR) in the presence of:
By: [Signature]
By: [Signature]

IN WITNESS WHEREOF, the grantor has caused its corporate seal to be affixed hereto and these presents to be subscribed by its duly authorized officer, as of the 21st day of December, 1933.

AND LASTLY, the grantor does hereby bind itself and its successors to warrant and forever defend all and singular said premises unto the grantee and the grantee's successors and assigns against the grantor and its successors and against every person whomsoever lawfully claiming or to claim the same or any part thereof.

TO HAVE AND TO HOLD all and singular the above-described parcels of land and premises, together with all and singular the rights, members, improvements, easements, appurtenances thereto belonging or in any wise appertaining (collectively the "premises") unto the grantee, and the grantee's successors and assigns, forever.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that MICHAEL TINE CORPORATION, a corporation duly qualified to transact business in the State of South Carolina ("grantor"), for and in consideration of the sum of Eight Hundred Thirty-Four thousand Two Hundred Eighty-Six (\$834,286.00) Dollars, the receipt and sufficiency of which are hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto ANDERSON COUNTY, SOUTH CAROLINA, a body politic and corporate and political subdivision of the State of South Carolina ("grantee"), the successors and assigns, the real property described in the attached Exhibit A.

BOOK 1076 PAGE 203

BOOK 1076 PAGE 202

September 12, 1950

3

RECEIVED
SEP 12 1950
CLERK OF COURT

My commission expires:
JAMES H. HARRIS
day of _____ 1950.

PERSONALLY appeared the undersigned witness and made oath that (s) he saw the within named Michaelis Tire Corporation, by its duly authorized officer, sign, seal and as the act and deed, deliver the within written title to Real Estate and that (s) he, with the other witness subscribed above, witnessed the execution thereof.

JO. R. CO.

STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE

PROBATE

BOOK 1076 PAGE 202

EXHIBIT A

Anderson County, South Carolina

1922 Real Property and 1922 Improvements

All that certain piece, parcel or lot of land situate, lying and being on the northern side of S.C. Road 8.4-62 in the County of Anderson, State of South Carolina, containing 31,876 square feet and designated as a "Parking Area" as shown on plat of survey of property of Michelin Tire Corporation dated December 29, 1929, by John A. Simmons, R.L.S. and having, according to said plat, the following metes and bounds, to-wit:

31,876 Square Feet Parking Area

Commencing at a spike set in the right of way of S.C. Road 8.4-62 at a joint corner of property of Michelin Tire Corporation and property now or formerly of Mount Zion Church and proceeding N.49-29W. a distance of 1196.49 feet to a point marking the POINT OF BEGINNING; thence N.49-29W. 193.08 feet to a point; thence N.40-31E. 61.00 feet to a point; thence N.80-11E. 205.31 feet to a point; thence S.49-29E. 88.44 feet to a point; thence S.40-31W. 222.03 feet to the point marking the POINT OF BEGINNING.

RECORDED
FREDERICKSON
JUL 11 1930

RECORDED THIS 11th DAY

OF JULY 1930

IN BOOK 1076 PAGE 205

AT 12:27 P.M.

J. J. JONES, C.C.C.R.

ANDERSON COUNTY, S.C.

red:old:and:and:michelin:open

September 28, 1929

Commencing at a spike set in the right of way of S.C. Road S. 4-4-62 at a joint corner of property of Michael Fire Corporation and property now or formerly of Mount Zion Church and proceeding N. 49-29 W. a distance of 229.69 feet to a point and N. 40-31 E. 103.36 feet to a point marking the POINT OF BEGINNING; thence N. 40-31 E. 136.102 feet to a point; thence S. 49-29 W. 195 feet to a point; thence S. 40-31 W. 102 feet to a point; thence N. 49-29 W. 195 feet to a point, the POINT OF BEGINNING.

Building 2-435

Commencing at a spike set in the right of way of S.C. Road S. 4-4-62 at a joint corner of property of Michael Fire Corporation and property now or formerly of Mount Zion Church and proceeding N. 49-29 W. a distance of 229.69 feet to a point and N. 40-31 E. 103.36 feet to a point marking the POINT OF BEGINNING; thence N. 49-29 W. 195 feet to a point; thence S. 40-31 W. 102 feet to a point; thence N. 49-29 W. 195 feet to a point, the POINT OF BEGINNING.

Building 2-435

Commencing at a spike set in the right of way of S.C. Road S. 4-4-62 at a joint corner of property of Michael Fire Corporation and property now or formerly of Mount Zion Church and proceeding N. 49-29 W. a distance of 229.69 feet to a point and N. 40-31 E. 103.36 feet to a point marking the POINT OF BEGINNING; thence N. 49-29 W. 195 feet to a point; thence S. 40-31 W. 102 feet to a point; thence N. 49-29 W. 195 feet to a point, the POINT OF BEGINNING.

Building 2-435

All those certain places, parcels or lots of land situated, lying and being on the northern side of S.C. Road S. 4-4-62 in the County of Anderson, State of South Carolina as shown on plat of survey of property of Michael Fire Corporation dated December 25, 1959 and revised December 13, 1960 by John A. Simons, R.L.S. and having, according to said plat, the following water and bounds, to-wit:

Anderson County, South Carolina
1959 Real Property and 1960 Improvements
For December 1959 Delivery
EXHIBIT A (continued)

Commencing at a spike set in the right of way of S.C. Road S.4-62 at a joint corner of property of Michellin Fire Corporation and property now or formerly of Mount Zion Church and proceeding N. 49-29 W. a distance of 1613.99 feet to a point; thence N. 49-29 W. 26 feet to a point; thence S. 40-31 E. 50.66 feet to a point; thence S. 49-29 E. 26 feet to a point; thence S. 40-31 E. 50.66 feet to a point; the POINT OF BEGINNING.

BUILDING 429

Commencing at a spike set in the right of way of S.C. Road S.4-62 at a joint corner of property of Michellin Fire Corporation and property now or formerly of Mount Zion Church and proceeding N. 49-29 W. a distance of 1556.39 feet and N. 40-31 E. 1171.36 feet to a point marking the POINT OF BEGINNING; thence N. 49-29 W. 31.25 feet to a point; thence N. 40-31 E. 67 feet to a point; thence S. 49-29 E. 31.25 feet to a point; thence S. 40-31 E. 67 feet to a point; the POINT OF BEGINNING.

BUILDING 429

Commencing at a spike set in the right of way of S.C. Road S.4-62 at a joint corner of property of Michellin Fire Corporation and property now or formerly of Mount Zion Church and proceeding N. 49-29 W. a distance of 1466.78 feet and N. 40-31 E. 862.01 feet to a point marking the POINT OF BEGINNING; thence N. 49-29 W. 138 feet to a point; thence N. 40-31 E. 51 feet to a point; thence S. 49-29 E. 138 feet to a point; the POINT OF BEGINNING.

BUILDING 3-134

Commencing at a spike set in the right of way of S.C. Road S.4-62 at a joint corner of property of Michellin Fire Corporation and property now or formerly of Mount Zion Church and proceeding N. 49-29 W. a distance of 1447.03 feet and N. 40-31 E. 796.82 feet to a point marking the POINT OF BEGINNING; thence N. 49-29 W. 94.16 feet to a point; thence N. 40-31 E. 11.54 feet to a point; thence S. 49-29 E. 94.16 feet to a point; thence S. 40-31 E. 11.54 feet to a point; the POINT OF BEGINNING.

BUILDING 125

Commencing at a spike set in the right of way of S.C. Road S.4-62 at a joint corner of property of Michellin Fire Corporation and property now or formerly of Mount Zion Church and proceeding N. 49-29 W. a distance of 329.63 feet to a point and N. 40-31 E. 702.36 feet to a point marking the POINT OF BEGINNING; thence N. 49-29 W. 413 feet to a point; thence N. 40-31 E. 136 feet to a point; thence S. 49-29 E. 413 feet to a point; thence S. 40-31 W. 39 feet to a point; thence S. 49-29 E. 308 feet to a point; thence S. 40-31 W. 17 feet to a point; thence N. 49-29 E. 308 feet to a point; the POINT OF BEGINNING.

BUILDING 3-132

507 487719

[The page contains approximately 18 lines of extremely faint, illegible text, likely bleed-through from the reverse side of the document.]

commencing at a stake set in the right of E.C. Road S.4-
62 at a joint corner of property of Methodist Church and proceeding N.
49-25 W. a distance of 86.1821, 31 feet and N. 40-31 W. 274.03 feet
to a point marking the POINT OF BEGINNING; thence N. 49-25 W.
1087.75 feet to a point; thence N. 40-31 W. 60 feet to a point;
thence S. 49-25 W. 41.5 feet to a point; thence N. 40-31 W. 40.50
feet to a point; thence N. 49-25 W. 88 feet to a point; thence S.
40-31 W. 10-80 feet to a point; thence S. 49-25 W. 197.75 feet to
a point; thence S. 40-31 W. 60 feet to a point, the point of

BOOK 1111 PAGE 263

BILL OF SALE

THIS BILL OF SALE (this “Bill of Sale”) is given by ANDERSON COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the “County”), to Michelin North America, Inc., a corporation organized and existing under the laws of the State of New York and qualified to do business in South Carolina (the “Company”).

RECITALS:

WHEREAS, the County, as lessor, and the Company, as lessee, are parties to that certain Lease Agreement dated as of December 1, 1988 (the “Lease”) pertaining to certain personal property owned by the County described in **Exhibit A** attached hereto (the “Property”); and

WHEREAS, the Company has determined to exercise its option to purchase the Property pursuant to Section 5.2 of the Lease; and

WHEREAS, the Company has satisfied all of the requirements set forth in the Lease for the purchase of the Property; and

WHEREAS, the County desires and intends hereby to convey to the Company any and all interest in the Property heretofore titled in the County pursuant to the terms of the Lease.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the County, for and in consideration of the sum of One and No/100 Dollar (\$1.00), lawful money of the United States, and no other valuable consideration, to it well and truly paid by the Company, at or before the ensealing and delivery hereof, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, assign, transfer and convey to the Company all of the County’s right, title and interest, if any, in and to all of the Property, including, without limitation, all machinery, equipment, fixtures and other personal property located on or about the real property more particularly described on **Exhibit A-1** attached hereto and incorporated herein by reference.

TO HAVE AND TO HOLD the same unto the Company, its successors and assigns, absolutely.

This Bill of Sale is made, executed, and delivered pursuant to the Lease.

[SIGNATURE PAGE ATTACHED]

WITNESS the County's hand and seal effective as of the _____ day of _____, 2020.

ANDERSON COUNTY, SOUTH CAROLINA

By: _____ (SEAL)

Tommy Dunn, Chairman
Anderson County Council

Attest:

By: _____ (SEAL)

Lacey Croegaert
Anderson County Clerk to Council

EXHIBIT A

All machinery, equipment, fixtures and personal property of every kind and only to the extent Anderson County holds title thereto, located at and installed upon or used on or about those certain manufacturing and distribution facilities constructed on the property more particularly described on Exhibit A-1 attached to this Bill of Sale.

EXHIBIT A-1

STATE OF SOUTH CAROLINA)
) ORDINANCE NO. 2020-027
COUNTY OF ANDERSON)

AN ORDINANCE

AN ORDINANCE AUTHORIZING (1) THE CONVERSION AND TRANSFER OF PROPERTY SUBJECT TO AN EXISTING LEASE AGREEMENT BETWEEN ANDERSON COUNTY, SOUTH CAROLINA (THE "COUNTY") AND MICHELIN NORTH AMERICA, INC. (FKA MICHELIN TIRE CORPORATION) (THE "COMPANY"), TO A FEE-IN-LIEU OF PROPERTY TAXES ARRANGEMENT UNDER TITLE 12, CHAPTER 44 OF THE SOUTH CAROLINA CODE, AS AMENDED; (2) THE EXECUTION AND DELIVERY OF SUCH DOCUMENTS AS MAY BE NECESSARY TO EFFECT THE INTENT OF THIS ORDINANCE; AND (3) OTHER MATTERS RELATING THERETO.

Section 1. Findings.

The Anderson County council finds that:

(a) Anderson County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), particularly Title 4, Chapter 12 of the Code (the "Original FILOT Act"), Title 12, Chapter 44 of the Code (the "Simplified FILOT Act"); and Title 4, Chapter 1 of the Code (the "Multi-County Park Act") (collectively, the "Act") and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve industrial and commercial facilities through which the economic development of the State of South Carolina (the "State") will be promoted by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, without limitation, negotiated FILOT payments, with respect to such properties; and (iii) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors;

(b) Michelin North America, Inc. a corporation organized and existing under the laws of the State of New York and qualified to do business in South Carolina ("Michelin"), previously established certain facilities in the County for the production and sale of tires and other legal activities of the Company and its affiliates (the "Project");

(c) pursuant to the Original FILOT Act, the County entered into that certain Lease Agreement between the County, as lessor, and Michelin North America, Inc., as lessee, dated as of December 1, 1996 (the "Lease") to lease Michelin that portion of the Project consisting of equipment, improvements, and real property for the purpose of providing Michelin with FILOT incentives under the Original FILOT Act;

(d) under the Simplified Act, the County may provide FILOT incentives with respect to the Project without the need for the County to hold title to the Project assets subject to the FILOT incentives;

(e) because Michelin (the “Company”) has an existing FILOT arrangement with the County, Section 12-44-170 of the Simplified FILOT Act permits the Company to “convert” from a title transfer FILOT arrangement under the Original FILOT Act to a non-title transfer FILOT arrangement under the Simplified FILOT Act;

(f) pursuant to Section 12-44-170(B) of the Simplified FILOT Act, the County and the Company have determined to convert and re-document the FILOT and other incentive arrangements specified in the Lease (the “Conversion”) and, in connection therewith, the County will convey to the Company its right, title and interest in and to the Project and the parties will replace the Lease and related documents in their entirety with a Conversion and Fee in Lieu of Tax Agreement (the “Fee Agreement”);

(g) simultaneously with the replacement of the Lease and related documents by the Conversion, the County shall convey and/or re-convey, as the case may be, to the Company all assets comprising the Project currently titled in the County in accordance with the terms of the Lease;

(h) all such matters are to be undertaken in accordance with the terms and provisions of the Fee Agreement now before this meeting and such Fee Agreement is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

Section 2. Approval and Execution of Fee Agreement.

(a) The County agrees to convert and re-document the FILOT and other incentives set forth in the Lease and related documents in their entirety with the Fee Agreement and the Simplified Fee Act shall govern the FILOT arrangements pertaining thereto. In furtherance of such replacement, the parties agree that the Lease will be terminated and the County will convey to the Company its right, title and interest in and to any assets comprising the Project.

(b) The form, terms and provisions of the Fee Agreement presented to this meeting and filed with the Clerk of the County Council be and hereby are approved, and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if such Fee Agreement were set out in this Ordinance in its entirety. The Chairman of the County Council and the Clerk of the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company.

(c) The Fee Agreement, attached hereto as **EXHIBIT A** is to be in substantially the form now before this meeting and hereby approved, or with any changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the County Attorney and the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of all changes therein from the form of Fee Agreement now before this meeting.

(d) The County shall, simultaneously with the execution and delivery of the Fee Agreement, convey to the Company title to the Project.

Section 3. Authority to Act.

The Chairman of the Council and the Clerk to Council, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to the Fee Agreement and to carry out the transactions contemplated thereby and by this Ordinance.

Section 4. Controlling Provisions.

This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina. To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Anderson County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 5. Severability.

The provisions of this Ordinance are hereby declared to be separable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

Section 6. Effective Date.

All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This Ordinance shall take effect and be in full force upon adoption by the Council.

[EXECUTION PAGE TO FOLLOW]

AND IT IS SO ORDAINED

Dated this ____ day of _____, 2020.

[SEAL]

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

Approved As to Form

Leon C. Harmon
Anderson County Attorney

First Reading: _____, 2020
Public Hearing: _____, 2020
Second Reading: _____, 2020
Third Reading: _____, 2020

CONVERSION AND FEE IN LIEU OF TAX AGREEMENT

CONVERTING AND TRANSFERRING THE PROPERTY SUBJECT TO EXISTING FEE-IN-LIEU OF PROPERTY TAXES ARRANGEMENT UNDER TITLE 4, CHAPTER 12 OF THE SOUTH CAROLINA CODE 1976, AS AMENDED, TO A FEE IN-IN-LIEU OF PROPERTY TAXES ARRANGEMENT UNDER TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Between

ANDERSON COUNTY, SOUTH CAROLINA

and

MICHELIN NORTH AMERICA, INC.

Dated as of December _____, 2020

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CONVERSION AND FEE IN LIEU OF TAX AGREEMENT

This CONVERSION AND FEE IN LIEU OF TAX AGREEMENT (this “Agreement”) dated as of September ____, 2020 between ANDERSON COUNTY, SOUTH CAROLINA (the “County”), a body politic and corporate and a political subdivision of the State of South Carolina, and MICHELIN NORTH AMERICA, INC., a New York Corporation authorized to do business in South Carolina acting for itself and any affiliates or other project sponsors (the “Company” and referred to collectively as the “Parties”).

WITNESSETH:

WHEREAS, Anderson County, South Carolina (the “County”), acting by and through its County Council (the “County Council”), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the “Code”), particularly Title 4, Chapter 12 of the Code (the “Original FILOT Act”), Title 12, Chapter 44 of the Code (the “Simplified FILOT Act”); and Title 4, Chapter 1 of the Code (the “Multi-County Park Act”) (collectively, the “Act”) and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve industrial and commercial facilities through which the economic development of the State of South Carolina (the “State”) will be promoted by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax (“FILOT”) payments, including, without limitation, negotiated FILOT payments, with respect to such properties; and (iii) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors; and

WHEREAS, Michelin North America, Inc., a corporation organized and existing under the laws of the State of New York and authorized to do business in South Carolina (“Michelin”), previously established certain facilities in the County for the production and sale of tires and other legal activities of the Company and its affiliates (the “Project”); and

WHEREAS, pursuant to the Original FILOT Act, the County entered into that certain Lease Agreement between the County, as lessor, and Michelin North America, Inc., as lessee, dated as of December 1, 1996 (the “1996 Lease”) to lease to Michelin that portion of the Project consisting of equipment, improvements, and real property for the purpose of providing Michelin with FILOT incentives under the Original FILOT Act; and

WHEREAS, pursuant to Anderson County Ordinance 96-024 and that certain Trust Indenture dated as of December 1, 1996, among the County, First Union National Bank of South Carolina, National Association, and the Company (the “Indenture”), the County issued \$300,000,000 aggregate principal amount Anderson County, South Carolina Industrial Revenue Bonds (Michelin North America, Inc. Project) (the “Bonds”) in order to finance the costs of the

acquisition, construction, installation, expansion, improvement, design and engineering of certain real properties and improvements thereto and the machinery, equipment, fixtures, office production, distribution, research development facilities and furnishings to be installed in the Project; and

WHEREAS, pursuant to the 1996 Lease, the Company was eligible for FILOT incentives on property placed in service at the Project on or prior to December 31, 2004, or on or prior to December 31, 2006 in the event of an extension (the “Original Investment Period”), for a period of thirty (30) years from the date such property was placed in service; and

WHEREAS, the Parties modified the 1996 Lease by executing an Addendum to Lease Agreement on December 1, 1999 (the “Addendum”) to provide for varying millage rates with regard to a New Facility developed by the Company, with such New Facility defined as “a new facility located in the County at the intersection of Hillhouse Drive and Cleveland Road;” and

WHEREAS, the parties amended the 1996 Lease on December 31, 2003 to extend the Original Investment Period to make eligible for FILOT incentives property placed in service at the Project through December 31, 2011; and

WHEREAS, the parties amended the 1996 Lease on February 21, 2012 to amend the period for which property placed in service during the Investment Period is eligible for FILOT incentives from thirty (30) years to forty (40) years; and

WHEREAS, under the Simplified Act, the County may provide FILOT incentives with respect to the Project without the need for the County to hold title to the Project assets subject to the FILOT incentives; and

WHEREAS, because Michelin (the “Company”) has an existing FILOT arrangement with the County, Section 12-44-170 of the Simplified FILOT Act permits the Company to “convert” from a title transfer FILOT arrangement under the Original FILOT Act to a non-title transfer FILOT arrangement under the Simplified FILOT Act; and

WHEREAS, pursuant to Section 12-44-170(B) of the Simplified FILOT Act, the County and the Company have determined to convert and re-document the FILOT and other incentive arrangements specified in the Lease (the “Conversion”) and, in connection therewith, the County will convey to the Company its right, title and interest in and to the Project and the parties will replace the Lease and related documents in their entirety with the terms of this Agreement; and

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained; and other value, the County and the Company agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings unless the context or use indicates another or different meaning or intent.

"Act" shall mean, collectively, the Simplified FILOT Act and the Multi-County Park Act.

"Administration Expenses" shall mean the reasonable and necessary expenses incurred by the County in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions, including attorneys' fees at the hourly rates which are standard for the applicable legal services to the County, but excluding expenses incurred by the County in defending either challenges to the incentives provided herein by third parties or suits brought by the Company under **Section 9.05** hereof; provided, however, that no such expense shall be considered an Administration Expense unless the County and the Company shall have first agreed, prior to the County incurring such expense, as to the maximum amount thereof or as to the basis for which such expenses will be incurred, and that the County shall have furnished to the Company an itemized statement of all expenses incurred and provided, further, that nothing herein shall be construed as prohibiting the County from engaging the counsel of its choice for matters deemed necessary and prudent by the County.

"Affiliate" shall mean any corporation, limited liability company, partnership or other Person or entity which owns all or part of the Company or which is owned in whole or in part by the Company or by any partner, shareholder or owner of the Company.

"Agreement" shall mean this Conversion and Fee in Lieu of Tax Agreement as originally executed and from time to time supplemented or amended and as a replacement of the Lease.

"Code" shall mean the Code of Laws of South Carolina 1976, as amended through the date hereof unless the context clearly requires otherwise.

"Co-Investor" shall mean any Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(19) of the Simplified FILOT Act, any Affiliate of the Company or of any such Sponsor or Sponsor Affiliate, any developer or financial institution in a build-to-suit arrangement with respect to the Project, any lessor of equipment or other property comprising a part of the Project, any financing entity or other third party investing in or providing funds for the Project. The Company shall notify the County in writing of the identity of any other Co-Investor and shall, to the extent the Company and any such Co-Investor intend to extend the benefits of the Negotiated FILOT to property owned by or leased to such Co-Investor pursuant to **Section 7.02** hereof, qualify such Co-Investor as a Sponsor or Sponsor Affiliate pursuant to the Simplified FILOT Act. As of the date of original execution and delivery of this Agreement, the only Co-Investor with

respect to the Project is the Company. As of the date of this Agreement, the Company holds title to all assets comprising the Project.

"Company" shall mean Michelin North America, Inc., a New York Corporation authorized to do business in South Carolina, and any surviving, resulting, or transferee entity in any merger, consolidation or transfer of assets permitted under **Section 7.01** hereof or any other assignee hereunder which is designated by the Company and approved by the County.

"Council" shall mean the governing body of the County and its successors.

"County" shall mean Anderson County, South Carolina, a body politic and corporate and a political subdivision of the State, and its successors and assigns.

"Deficiency Payment" shall have the meaning specified in **Section 6.01(e)** hereof.

"Department of Revenue" shall mean the South Carolina Department of Revenue.

"Economic Development Property" shall mean, with respect to the Project, each item of real and tangible personal property comprising the Project which was placed in service during the Investment Period; provided, however, such property must meet the requirements of Sections 12-44-30(6) and 12-44-40(C) of the Code, and in each case Non-Qualifying Property is specifically excluded.

"Event of Default" shall mean an Event of Default, as set forth in **Section 9.01** hereof.

"Existing Property" shall mean property previously subject to property taxes under this Agreement pursuant to Section 12-44-110 of the Simplified FILOT Act, including without limitation property which has been subject to *ad valorem* taxes in the State prior to commencement of the Investment Period or after the Investment Period, and property included in the Project as part of the repair, alteration, or modification of such previously taxed property.

"FILOT" shall mean fee in lieu of *ad valorem* property taxes.

"FILOT Payments" or *"FILOT Revenues"* shall mean the payments to be made with respect to the Project pursuant to **Section 6.01** hereof, including the Negotiated FILOT paid pursuant to **Section 6.01(b)** hereof, and any fee in lieu of tax payments made pursuant to the Multi-County Park Act.

"Investment Period" shall mean the period for completion of the Project, which shall mean the period commencing on January 1, 1996 and ending on December 31, 2011, as specified pursuant to Section 4-12-30(C)(3) and (D)(1)(b) of the Original FILOT Act.

"Land" shall mean the land upon which the Project has been or will be constructed, as described in **Exhibit A** attached hereto, as **Exhibit A** may be supplemented from time to time in

accordance with the provisions hereof.

"Lease" shall mean that certain 1996 Lease Agreement between the County, as lessor, and the Company, as lessee, dated as of December 1, 1996.

"Leased Property" shall have the meaning ascribed to it in the Lease.

"Multi-County Park" shall mean the multi-county industrial or business park established pursuant to the Multi-County Park Agreement, and any multi-county industrial or business park which includes the Project and which is designated by the County as such pursuant to any agreement, which supersedes or replaces the initial Multi-County Park Agreement.

"Multi-County Park Act" shall mean Title 4, Chapter 1 of the Code, as amended through the date hereof.

"Multi-County Park Agreement" shall mean that certain Multi-County Park Agreement between the County and Greenville County, South Carolina pertaining to the Project, dated as of October 6, 1998, as amended, supplemented, or replaced from time to time to include all or any portion of the Project.

"Negotiated FILOT" or "Negotiated FILOT Payments" shall mean the FILOT payments due pursuant to **Section 6.01** hereof with respect to that portion of the Project consisting of Economic Development Property which qualifies pursuant to the Simplified FILOT Act for the negotiated assessment ratios and millage rates described in **Section 6.01(b)(ii)** hereof.

"New Facility" shall have the meaning ascribed to it in the recitals above.

"Non-Qualifying Property" shall mean that portion of the facilities located on the Land and consisting of: (i) Existing Property; (ii) except as to Replacement Property, property which the Company places in service after the end of the Investment Period; and (iii) any other property which fails or ceases to qualify for Negotiated FILOT Payments under the Simplified FILOT Act, including without limitation property as to which the Company has terminated the Negotiated FILOT pursuant to **Section 5.03(c)** hereof.

"Original FILOT Act" shall mean Title 4, Chapter 12 of the Code.

"Person" shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

"Project" shall mean the Land described on **Exhibit A** hereto and, to extent placed in service by the Company or any Co-Investor during the Investment Period; (i) all buildings, structures, fixtures and other real property improvements constructed on the Land; (ii) all machinery, equipment, furnishings and other personal property acquired by or on behalf of the

Company for use on or about the Land; and (iii) any Replacement Property replacing portions of the Project.

"Property Tax Year" shall mean the annual period which is equal to the fiscal year of the Company or any other Sponsor or Sponsor Affiliate, *i. e.*, with respect to the Company, the period ending on December 31 of each year.

"Released Property" shall include Economic Development Property which is scrapped, sold, disposed of, or released from this Agreement by the Company pursuant to **Section 5.03(c)** hereof and Section 12-44-50(B) of the Simplified FILOT Act; any portion of the Economic Development Property constituting infrastructure which the Company dedicates to the public use within the meaning of Section 12-6-3420(C) of the Code; and any Economic Development Property damaged, destroyed, or taken by process of eminent domain and not restored or replaced.

"Replacement Property" shall mean all property installed in or at the Project in substitution of, or as replacement for, any Released Property, regardless of whether such property serves the same function as the property it replaces and regardless of whether more than one piece replaces a single piece of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pertaining to the Project, pursuant to **Section 6.01(d)** hereof and Section 12-44-60 of the Code.

"Simplified FILOT Act" shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

"Sponsor" and *"Sponsor Affiliate"* shall mean an entity whose investment with respect to the Project will qualify for the Negotiated FILOT pursuant to **Section 7.02** hereof and Sections 12-44-30(19) or (20) and Section 12-44-130 of the Code. As of the date of original execution and delivery of this Agreement, the only Sponsor or Sponsor Affiliate with respect to the Project is the Company.

"State" shall mean the State of South Carolina.

"Statutory Investment Requirement" shall mean investment with respect to the Project by any one of the Company, any other Sponsor or any Sponsor Affiliate of not less than \$2,500,000.

"Streamlined FILOT Act" shall mean Title 4, Chapter 12 of the Code, as amended through the date of execution and delivery of the Lease.

"Term" shall mean the term of this Agreement, as set forth in **Section 8.01** hereof.

"Transfer Provisions" shall mean the provisions of Section 12-44-120 of the Simplified FILOT Act, as amended through the date hereof.

Section 1.02. References to Agreement. The words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action by the Council, the County has duly authorized the execution and delivery of this Agreement and the Negotiated FILOT Payments as set forth herein, the inclusion and maintenance of the Project in the Multi-County Park, and any and all actions reasonably necessary and appropriate to consummate the transactions contemplated hereby and has obtained all consents and approvals required under the Act to carry out its obligations under this Agreement.

(b) The County has determined the Project will serve the purposes of the Act and has made all other findings of fact required by the Act in connection with the undertaking of the arrangements set forth herein.

(c) This Agreement has been duly authorized, executed and delivered on behalf of the County. The authorization, execution, and delivery of this Agreement and the performance by the County of its obligations hereunder will not, to the best knowledge of the undersigned representatives of the County, conflict with or constitute a breach of, or a default under, any South Carolina law, court or administrative regulation, decree, order, provision of the Constitution or laws of the State relating to the establishment of the County or its affairs, or any material agreement, mortgage, lease, or other instrument to which the County is subject or by which it is bound, nor, to the best knowledge of the undersigned representatives of the County, any existing law or the provisions of the Constitution of the State.

(d) To the best knowledge of the undersigned representatives of the County, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, any of which to the best knowledge of the undersigned representatives of the County could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

(e) The County has not sold, assigned, leased, mortgaged, granted easements or rights of way, encumbered, or otherwise conveyed or transferred any of its right, title or interest in the Lease, the Project or other Leased Property except as contemplated by the Lease.

Section 2.02. Representations and Warranties by Company. The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a corporation validly existing and in good standing under the laws of the State of New York and authorized to do business in the State; has all requisite power to enter into this Agreement and to carry out its obligations hereunder; and by proper action has been duly authorized to execute and deliver this Agreement. The Company's fiscal year end is December 31, and the Company will notify the County of any changes in the fiscal year of the Company.

(b) The Company intends to operate the Project primarily for manufacturing and related activities.

(c) The agreements with the County with respect to the FILOT, and the Multi-County Park were factors in inducing the Company to locate the Project within the County and the State.

(d) No actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the Company are pending or threatened against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement, or the transactions contemplated hereby.

ARTICLE III

RE-DOCUMENTATION OF INCENTIVES AND CANCELLATION OF BONDS PERTAINING TO PROJECT

Section 3.01. Replacement of Lease and Related Documents. Each party hereby acknowledges that the other is currently in compliance with its obligations under the Lease. The Company and the County also hereby acknowledge and agree that, from and after the execution and delivery of this Agreement: (i) this Agreement shall replace the Lease and any related document in their entirety and as to all matters pertaining to the incentives applicable to the Project and (ii) the Simplified FILOT Act shall govern the Negotiated FILOT arrangements pertaining to the Project. In furtherance of such replacement, the parties agree that the Lease is hereby terminated.

Section 3.02. Conveyance by the County to the Company of Project and Other Leased Property. Simultaneously with the execution and delivery of this Agreement, the County has by delivery of a Quitclaim Deed and Bill of Sale, conveyed or re-conveyed to the Company all assets comprising the Project and other Leased Property which were heretofore titled in the County pursuant to the terms of the Lease. The County covenants and agrees to take such further steps and to execute and deliver such further instruments, agreements or other documents as shall be reasonably required by the Company to evidence or confirm such conveyance.

Section 3.03. Cancellation of Bonds Issued by the County. Each party hereby acknowledges that the other is currently in compliance with its obligations under the Indenture. The Company and the County also hereby acknowledge and agree that, from and after the execution and delivery of this Agreement, the County shall be authorized to do all things necessary to cancel the Bonds (the "Cancellation"). The parties intend that the Cancellation may be undertaken by the Chairman of the Council without necessity of further proceedings. To the extent additional proceeds are required by law, however, the County agrees to undertake **all** such steps as may be reasonably required or appropriate to effectuate the Cancellation. In anticipation of execution of the Cancellation, the parties agree that the Bonds are hereby cancelled.

ARTICLE IV

COVENANTS OF COUNTY

Section 4.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept Negotiated FILOT Payments in accordance with **Section 6.01** hereof in lieu of *ad valorem* taxes with respect to that portion of the Project consisting of Economic Development Property until this Agreement expires or is sooner terminated.

Section 4.02. Multi-County Park Designation. The County has designated the Project as part of the Multi-County Park pursuant to the Multi-County Park Act and will, to the extent permitted by law, use its best, reasonable efforts to maintain such designation on terms which provide any additional job tax credits afforded by the laws of the State for projects located within multi-county industrial or business parks for all jobs created by the Company during the Investment Period. To the extent that any portion of the Project is located within the jurisdictional limits of a municipality, the County's designation of such portion of the Project as part of the Multi-County Park is subject to approval by such municipality under the Multi-County Park Act.

Section 4.03. Commensurate Benefits. The parties acknowledge the intent of this Agreement, in part, is to afford the Company the benefits specified in this **Article IV** in consideration of the Company's decision to locate and continue operating the Project within the County, and this Agreement has been entered into in reliance upon the enactment of the Act and the County's compliance with the requirements thereof. In the event that a court of competent jurisdiction holds that the Act is unconstitutional or this Agreement or agreements similar in nature to this Agreement are invalid or unenforceable in any material respect, or should the Company determine there is a reasonable doubt as to the validity or enforceability of this Agreement in any

material respect, then at the request of the Company, the County agrees to use its best, reasonable efforts to extend to the Company the intended benefits of this Agreement and agrees, if requested, to enter into a lease purchase agreement with the Company pursuant to Section 12-44-160; Title 4, Chapter 29 or Title 4, Chapter 12 of the Code, as applicable, or to take such other steps as may be appropriate to extend to the Company the intended benefits of this Agreement. The Company acknowledges, if a court of competent jurisdiction holds all or part of the Simplified FILOT Act is unconstitutional or otherwise illegal, the Simplified FILOT Act provides the Company must transfer the Economic Development Property to the County within 180 days following such determination in order for the Negotiated FILOT benefits to continue to apply. In such lease purchase agreement, the County, upon the conveyance of title to the Project to the County at the expense of the Company, agrees to lease the Project to the Company.

ARTICLE V

COVENANTS OF COMPANY

Section 5.01. Investment in Project.

(a) The County hereby agrees and acknowledges that the Company has met all investment and job creation requirements with respect to the Project heretofore required by the Lease and/or the Streamlined FILOT Act and that the Company is currently in compliance with all requirements set forth in Lease and all related documents.

(b) Expenditures by Co-Investors shall, together with expenditures by the Company, count toward all investment requirements set forth in this Agreement; including, to the full extent permitted by the Simplified FILOT Act, the Statutory Investment Requirement. Aggregate investment shall generally be determined without regard to depreciation or diminution in value following placement in service at the Project by reference to the property tax returns of the Company and any Co-Investors filed with respect to the Project, including, without limitation, each such entity's SCDOR PT-300 or such comparable forms as to the Department of Revenue may provide in connection with project under the Simplified FILOT Act.

Section 5.02. Title to Project. The Company and/or its designated Co-Investors shall retain title, or other property rights, to its respective portion of the Project throughout the Term of this Agreement, and the Company and any Co-Investor shall have full right to mortgage or encumber the Project in connection with any financing transactions.

Section 5.03. Modification of Project. The Company shall have the right at any time and from time to time during the Term hereof to undertake, or permit a Co-Investor to undertake, any of the following:

(a) The Company or a Co-Investor may, at its own expense, add to the Project all such real and personal property as the Company in its discretion deems useful or

desirable, including Economic Development Property qualifying for the Negotiated FILOT under **Section 6.01** hereof without any limit as to the amount thereof.

(b) Subject to the provisions of **Sections 5.04, 6.01(f)(ii) and 9.01** hereof, in any instance when the Company or a Co-Investor in its discretion determines any items included in the Project, including any portion of the Land and any other Economic Development Property, have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, the Company or such Co-Investor may remove such items or portions of the Project from the Project and sell, trade in, exchange, or otherwise dispose of them as a whole or in part without the consent of the County.

(c) Subject to **Section 6.01(f)(ii)** hereof, the Company or a Co-Investor may, at any time and in its discretion by written notice to the County, remove any Economic Development Property, real or personal, from the Negotiated FILOT set forth in this Agreement and retain such property for use as part of its operations in the County, and thereafter such property will be subject to a FILOT under the Multi-County Park Agreement which is equivalent to *ad valorem* taxes.

(d) If the Company or a Co-Investor sells, leases, or otherwise disposes of any portion of, or adds any real property to, the Land, the Company or such Co-Investor shall deliver to the County, within 30 days thereafter, a new **Exhibit A** to this Agreement.

(e) All Economic Development Property sold, leased or otherwise disposed of under this Section shall be deemed Released Property for purposes of this Agreement.

Section 5.04. Payment of Administration Expenses. The Company will reimburse the County from time to time for its Administration Expenses promptly upon written request therefor, but in no event later than sixty (60) days after receiving written notice from the County specifying the nature of such expense and requesting the payment of the same. The County acknowledges it imposes no charges in the nature of impact fees or recurring fees in connection with the incentives authorized by this Agreement, and, aside from the attorneys' fees, the County anticipates no out of pocket expenses in connection with this Agreement and the transactions authorized hereby. The parties understand that counsel to the County has estimated its fees and other expenses for review of this Agreement and all resolutions, ordinances and other documentation related thereto at \$5,000.

Section 5.05. Use of Project for Lawful Activities. During the Term of this Agreement, the Company shall use the Project as it deems fit for any lawful purpose.

Section 5.06. Records and Reports. The Company agrees to maintain such books and records with respect to the Project as will permit the identification of those portions of the Project it has placed in service in each Property Tax Year during the Investment Period, the amount of investment with respect thereto and computations of all Negotiated FILOT Payments made hereunder and will comply with all reporting requirements of the State and the County applicable

to Economic Development Property under the Act, including without limitation the reports required by 12-44-90 of the Code (collectively, "Filings"); provided, however, that the parties hereby waive in its entirety the requirement under Section 12-44-55 of the Simplified FILOT Act for a recapitulation of the terms of this Agreement. Specifically, the Company shall provide the following:

(a) Each year during the Term hereof, the Company shall deliver to the County Auditor and the County Assessor a copy of its most recent annual filings made with the Department of Revenue with respect to the Project at the same time as delivery thereof to the Department of Revenue.

(b) The Company shall cause a copy of this Agreement, as well as a copy of the completed Form PT-443 required by the Department of Revenue, to be filed within thirty (30) days after the date of execution and delivery hereof with the County Auditor and the County Assessor of the County and of each county which is a party to the Multi-County Park Agreement, and with the Department of Revenue and shall update such Form PT-443 from time to time to the extent that the information therein is no longer accurate.

Notwithstanding any other provision of this Section, the Company may, by clear, written designation, conspicuously marked, designate with respect to any Filings delivered to the County segments thereof that the Company believes contain proprietary, confidential, or trade secret matters. The County shall comply with all reasonable, written requests made by the Company with respect to maintaining the confidentiality of such designated segments. Except to the extent required by law, the County shall not knowingly and voluntarily release information, which has been designated as confidential or proprietary by the Company.

ARTICLE VI

FEES IN LIEU OF TAXES

Section 6.01. Payment of Fees in Lieu of *Ad Valorem* Taxes

(a) In accordance with the Simplified FILOT Act, the parties hereby agree that there shall be due annually with respect to that portion of the Project constituting Economic Development Property, whether owned by the Company or by a Sponsor or Sponsor Affiliate, a Negotiated FILOT calculated as set forth in this Section, at the places, in the manner and subject to the penalty assessments prescribed by the County or the Department of Revenue for *ad valorem* taxes. The Negotiated FILOT Payments shall initially be due under current Code requirements on the January 15 following the year in which the County adds the Economic Development Property to its tax rolls, and each January 15 thereafter as set forth in this Agreement. If the Company designates any additional Sponsor or Sponsor Affiliates, as the same shall have been consented to by the County pursuant to **Section 7.02** hereof, the Company must notify the County in writing at the time of such designation as to whether such Sponsor or Sponsor Affiliate shall be primarily liable for all or any portion of the FILOT Payments hereunder. Unless and until

such notification is received, and the County consents in writing, the Company shall be primarily liable for all FILOT Payments with respect to the Project.

(b) Subject to adjustment pursuant to the provisions of this **Section 6.01**, the Negotiated FILOT shall be calculated each year in accordance with the following provisions:

(i) For each annual increment of investment in Economic Development Property during the Investment Period, the annual Negotiated FILOT Payment with respect to the Project shall be payable for a period of forty (40) years, all in accordance with Section 12-44-30(21) of the Simplified FILOT Act. Accordingly, if such Economic Development Property is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a payment period of forty (40) years, and may result in an aggregate fee period of up to fifty-five (55) years as provided in Section 4-12-30(C)(4) of the Original FILOT Act.

(ii) The Negotiated FILOT applicable to the Project shall be calculated using (1) an assessment ratio of 4%; (2) a millage rate of 222.3 mills for the Project and Expanded Project (except that a millage rate of 241.8 mills shall be used for the portion of the Expanded Project relating to the New Facility), which was the millage rate applicable under the Lease and which rate shall be fixed in accordance with Section 12-44-50(A)(1)(b)(i) of the Code for the entire 40 years specified in clause (i) above for the Project and Expanded Project; and (3) the fair market value of such Economic Development Property determined as provided hereinbelow. Such Negotiated FILOT shall be calculated in accordance with the standard fee calculation method specified in accordance with clauses (1) and (2) of Section 12-44-50(A) of the Code.

(iii) For purposes of calculating the Negotiated FILOT provided herein, fair market value shall be determined in accordance with Section 12-44-50(A)(1)(c) of the Code, which, for typical arm's length construction or acquisition, uses the original income tax basis for any real property without regard to depreciation or reassessment and the original income tax basis for any personal property less allowable depreciation (except depreciation due to extraordinary obsolescence).

(iv) All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the five-year exemption from County taxes allowed for certain manufacturing, distribution, corporate headquarters and research and development facilities pursuant to Section 3(g) of Article X of the Constitution of the State and Sections 12-37-220(B)(32) and (34) of the Code.

(v) For purposes of calculating the Negotiated FILOT, Economic Development Property shall not include any Released Property or Non-Qualifying Property.

(c) The Negotiated FILOT Payments with respect to the Project are to be recalculated:

(i) to reduce such payments in the event the Company or any Sponsor or Sponsor Affiliate disposes of any part of the Economic Development Property within the meaning of Section 12-44-50(B) of the Simplified FILOT Act and as provided in **Section 5.03(b)** hereof, by the amount applicable to the Released Property;

(ii) to reduce such payments in the event that the Economic Development Property or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, or otherwise removed from the Project as a result of reasons beyond the control of the Company or any Sponsor or Sponsor Affiliate;

(iii) to increase such payments in the event the Company or any Sponsor or Sponsor Affiliate adds any Economic Development Property (other than Replacement Property) to the Project; or

(iv) to adjust such payments if the Company or any Sponsor or Sponsor Affiliate elects to convert any portion of the Economic Development Property to *ad valorem* taxes or a FILOT equivalent to such *ad valorem* taxes, as permitted by **Section 5.03(c)**;

(d) Upon installation or placing in service of any Replacement Property for any Released Property, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(i) Such Replacement Property does not have to serve the same function as the Released Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the Negotiated FILOT, whether real or personal, which is disposed of in the same Property Tax Year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Released Property which it is replacing in the same Property Tax Year. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Released Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes or FILOT equivalent which would have been paid on such property but for this Agreement. Replacement Property is entitled to the Negotiated

FILOT Payments for the remaining portion of the forty-year payment period applicable to the Released Property.

(ii) The Company shall maintain, or cause to be maintained, records sufficient to identify all Replacement Property, and the Negotiated FILOT Payments with respect thereto shall be calculated using the millage rate, assessment ratio and calculation method applicable to the Released Property it is replacing.

(e) In the event that, for any reason, the Simplified FILOT Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Company benefits commensurate with those intended under this Agreement as permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there shall be due hereunder with respect to the portion of the Economic Development Property affected by such circumstances *ad valorem* taxes or the FILOT equivalent and that, to the extent permitted by law, the Company and any affected Sponsors or Sponsor Affiliates shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation or other diminution in value; and (3) to receive all other tax credits which would be due if they were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are subject to retroactive adjustment, then there shall be due and payable with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, together with interest on such deficiency as provided in Section 12-54-25(D) of the Code (a "Deficiency Payment").

(f)

(i) As provided in **Section 5.01(a)** hereof, the County acknowledges that the Company has met all statutory requirements regarding investment in the Project.

(ii) In the event that the Company's investment in the Project based on an income tax basis without regard to depreciation or other diminution in value falls below the Statutory Investment Requirement, the Project shall thereafter be subject to *ad valorem* taxes or the FILOT equivalent, calculated as set forth in paragraph (e) above.

(iii) As noted in **Section 5.01(a)** above, the County acknowledges that the Company has met all contractual requirements under the Lease regarding investment and job creation at the Project.

(iv) In accordance with the provisions of **Sections 5.01(c)** and **7.02** hereof, except for Existing Property, all property utilized by the Company within the County, whether owned by the Company outright or utilized by the Company pursuant to any financing agreement or any lease or other arrangement with any Co-Investor and whether or not subject to this Agreement, shall be counted toward all investment obligations under this Agreement, including, to the extent permitted by law, investment obligations under the Act.

(g) Except as otherwise set forth in this Agreement or as otherwise required by the Act, any amounts due to the County under this **Section 6.01** as a Deficiency Payment or other retroactive payment shall, at the option of the Company, be paid either as a lump sum within one year of receipt by the Company from the County of a written notice requesting the payment thereof, or in five equal annual installments (which shall include interest at the rates required for past due payments of *ad valorem* taxes) beginning on the date which is one year after receipt of such notice. If the Company elects to pay any such amount over such five-year period, the Company shall furnish to the County such security or other assurances as the County may reasonably request in order to secure the payment of such Deficiency Payments.

Section 6.02. Statutory Lien. The parties acknowledge the County's right to receive FILOT Revenues hereunder shall have a statutory lien with respect to the Economic Development Property pursuant to Section 12-44-90(E) of the Simplified FILOT Act and Title 12, Chapter 54 of the Code relating to the collection and enforcement of *ad valorem* property taxes.

ARTICLE VII

THIRD PARTY ARRANGEMENTS

Section 7.01. Conveyance of Liens and Interests; Assignment. The Company and any Sponsor or Sponsor Affiliate may at any time (a) transfer all or any of its rights and interests hereunder or with respect to all or any part of the Economic Development Property to any Person; or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing entity or other Person with respect to this Agreement or all or any part of the Economic Development Property, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such Economic Development Property, as long as the transferee in any such arrangement leases the Economic Development Property in question to the Company or any other Sponsor or Sponsor Affiliates or any Affiliates thereof or operates such assets for the Company or other Sponsor or Sponsor Affiliate or any Affiliates

thereof or is leasing such the Economic Development Property in question from the Company or other Sponsor or Sponsor Affiliate or any Affiliates thereof. In order to preserve the benefits of the Negotiated FILOT hereunder with respect to property so transferred: (i) except in connection with any transfer to an Affiliate of the Company or another Sponsor or Sponsor Affiliate or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company or such other Sponsor or Sponsor Affiliate shall first obtain the written consent of the County which consent shall not be unreasonably withheld and shall be furnished within 30 days of request; and (ii) except when a financing entity which is the income tax owner of all or part of the Economic Development Property is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company hereunder, or when the County consents in writing or when the transfer relates to Released Property pursuant to **Sections 5.03** hereof, no such transfer shall affect or reduce any of the obligations of the Company or such other Sponsor or Sponsor Affiliate hereunder. The Company or such other Sponsor or Sponsor Affiliate, transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement, and the Company or such other Sponsor or Sponsor Affiliate and the transferee shall comply with all other requirements of the Transfer Provisions.

Subject to County consent when required herein, and at the expense of the Company or such other Sponsor or Sponsor Affiliate, the County agrees to execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or such other Sponsor or Sponsor Affiliate under this Agreement and/or any release of the Company or such other Sponsor or Sponsor Affiliate pursuant to this **Section 7.01**.

Section 7.02. Sponsors and Sponsor Affiliates. The Company may designate from time to time additional Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Simplified FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Company and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of the Company or other Persons described in **Section 7.01(b)** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the Simplified FILOT Act must be approved by Resolution of the County Council. To the extent that a Sponsor or Sponsor Affiliate invests an amount equal to the Statutory Investment Requirement at the Project prior to the end of the Investment Period, the investment by such Sponsor or Sponsor Affiliate shall qualify for the Negotiated FILOT payable under **Section 6.01** hereof (subject to the other conditions set forth herein) in accordance with Section 12-44-30(19) of the Simplified FILOT Act. Because the aggregate investment in the Project prior to the end of the Investment Period by the Company, all Sponsors and Sponsor Affiliates exceeded \$5,000,000 as provided in Section 12-44-30(19) of the Simplified FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the Negotiated FILOT pursuant to **Section 6.01** of this Agreement (subject to the other conditions set forth herein) regardless of whether each such entity invested amounts equal to the Statutory Investment

Requirement. The Company shall provide the County and the Department of Revenue with written notice of any Sponsor or Sponsor Affiliate designated pursuant to this **Section 7.02** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Economic Development Property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Simplified FILOT Act.

ARTICLE VIII

TERM; TERMINATION

Section 8.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company executed the Lease, and ending at midnight on the day the last Negotiated FILOT Payment is made hereunder. In no case shall this Agreement extend beyond January 15, 2052.

Section 8.02. Termination. In addition to the rights of the County under Sections 6.01(g) and 9.02, the County and the Company may jointly agree to terminate this Agreement at any time, or the Company, may, at its option, terminate this Agreement at any time, with respect to all or a portion of the Project in which event the Project, or such portion of the Project, shall be subject to *ad valorem* taxes from the date of termination. Notwithstanding termination of this Agreement, the County shall have the same rights to receive payment for any retroactive *ad valorem* taxes, Deficiency Payments, interest or penalties, and the same enforcement rights with respect to such obligations as it would have with respect to *ad valorem* taxes, and the County's rights arising under **Section 6.01** prior to the time of such termination shall survive any such termination.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.01. Events of Default by Company. Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default by the Company:

(a) if default shall be made in the due and punctual payment of any Negotiated FILOT Payments, which default shall not have been cured within thirty (30) days following receipt of written notice of such default from the County; or

(b) if default shall be made by the Company in the due performance of or compliance with any of the terms hereof, other than those referred to in the foregoing paragraph (a), and such default shall continue for ninety (90) days after the County shall have given the Company written notice of such default; provided, the County may, in its discretion, grant the Company a longer period of time as necessary to cure such default if the Company proceeds with due diligence to cure such default; provided however, that no

Event of Default shall exist under this agreement during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Company has contested the occurrence of such default.

Failure to meet any investment requirements set forth herein shall not be deemed to be an Event of Default under this Agreement, but may allow the County to terminate or adjust certain benefits hereunder or obligate the Company to make certain additional payments to the County, all as set forth in **Sections 5.04, 8.02 and 6.01(f)** hereof.

Section 9.02. Remedies on Event of Default by Company. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies:

(a) terminate this Agreement by delivery of written notice to the Company not less than sixty (60) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Company pertaining to the construction, acquisition, or maintenance of the Project or calculation of the Negotiated FILOT pursuant hereto as provided in **Section 5.06** hereof; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amount then due or enforce the County's rights hereunder, it being the express intent of the parties that the County, without limitation, shall have the same remedies available by law to collect FILOT Payments as if they were delinquent *ad valorem* tax payments, including execution upon the lien referred to in **Section 6.02** hereof.

Notwithstanding termination of this Agreement, the County shall have the same rights to receive payment for any *ad valorem* taxes, including any retroactive *ad valorem* taxes, Deficiency Payments, interest or penalties, and the same enforcement rights, as it would have with respect to *ad valorem* taxes, and the County's rights under **Section 6.01(f)** and this **Section 9.02** with respect to any such payments then due and owing shall survive any such termination.

Section 9.03. Defaulted Payments. In the event the Company should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of the Company until the amount in default shall have been fully paid. If any such default relates to its obligations to make FILOT Payments hereunder, the Company agrees to pay the same with interest thereon at the rate per annum provided by the Code for late payment of *ad valorem* taxes together with any penalties provided by the Code for late payment of *ad valorem* taxes, all as provided in Section 12-44-90 of the Code.

Section 9.04. Application of Monies upon Enforcement of Remedies against Company. Any monies received by the County upon enforcement of its rights hereunder shall be applied as follows: first, to the reasonable costs associated with such enforcement proceedings;

second, to pay Administration Expenses; third, to pay the Negotiated FILOT in accordance with **Section 6.01** hereof, and, fourth, to other amounts due and payable hereunder.

Section 9.05. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Company may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation a suit for *mandamus* or specific performance.

ARTICLE X

MISCELLANEOUS

Section 10.01. Rights and Remedies Cumulative; Third Party Beneficiary. Each right, power, and remedy of the County or of the Company provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers, and remedies are sought to be enforced; and the exercise by the County or by the Company of any one or more of the rights, powers, or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company of any or all such other rights, powers, or remedies.

Section 10.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, any Sponsor or Sponsor Affiliates designated pursuant to **Section 7.02** hereof and their respective successors and assigns as permitted hereunder.

Section 10.03. Notices; Demands; Requests. All notices, demands, and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid, or reputable courier service, to the following persons and addresses or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

Anderson County
Attn.: County Administrator
101 South Main Street
Anderson, South Carolina 29624

(b) with a copy (which shall not constitute notice) to:

Leon Harmon, Esq.
Anderson County Attorney
Post Office Box 8002

Anderson, South Carolina 29622

(c) As to the Company:

Michelin North America, Inc.
Attn: Brock Christ
1 Parkway S.
Greenville, South Carolina 29615

(d) with a copy (which shall not constitute notice) to:

Burnet R. Maybank III, Esq.
Andrew W. Saleeby, Esq.
Nexsen Pruet, LLC
1230 Main Street, Suite 700
Columbia, South Carolina 29201

Section 10.04. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina. To the extent of any conflict between the provisions of this Agreement and the Act, the Act controls.

Section 10.05. Substantive Terms. It is the intent of the parties hereto that the substantive terms of this Agreement set forth herein to be identical to the terms of the Lease as attached hereto by reference as **Exhibit B**. If there are any inconsistencies set forth herein (except for the statutory different authorities of the Original FILOT Act and the Simplified FILOT Act), the substantive terms of the Lease shall prevail.

Section 10.06. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 10.07. Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 10.08. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 10.09. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

Section 10.10. Amendments. Subject to the limitations set forth in Section 12-44-40(K)(2) of the Simplified FILOT Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by both parties.

Section 10.11. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 10.12. Further Proceedings. This Agreement in final form shall be approved by ordinance of the County Council. The parties intend that any action to be taken hereinafter by the County pursuant to the express provisions of the final form of this Agreement may be undertaken by the Chairman of the Council without necessity of further proceedings. To the extent additional proceedings are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.

[Execution Pages to Follow]

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Conversion and Fee in Lieu of Tax Agreement to be effective as of the date first written above.

FOR ANDERSON COUNTY:

By: _____
Tommy Dunn, Chairman
Anderson County Council

[SEAL]

ATTEST:

By: _____
Lacey Croegaert
Anderson County Clerk to Council

MICHELIN NORTH AMERICA, INC.

By: _____
Name: _____
Title: _____

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B
LEASE AGREEMENTS

STATE OF SOUTH CAROLINA)
) **CANCELLATION OF BONDS**
COUNTY OF ANDERSON)

Anderson County, South Carolina (the “**County**”), acting by and through its County Council (the “**County Council**”), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the “**Code**”), and particularly Title 4, Chapter 29 (the “**Original FILOT Act**”), Title 4, Chapter 12 (the “**Streamlined FILOT Act**”), and Title 12, Chapter 44 (the “**Simplified FILOT Act**”) of the Code (i) to enter into agreements whereby business enterprises will construct, operate, maintain, and improve industrial and commercial facilities through which the economic development of the State of South Carolina (the “**State**”) will be promoted; and (ii) to covenant with such business enterprises to accept certain fee in lieu of *ad valorem* tax (“**FILOT**”) payments, including, but not limited to, negotiated FILOT payments pursuant to the Original FILOT Act, the Streamlined FILOT Act, or the Simplified FILOT Act, as the case may be, with respect to such facilities.

Pursuant to the Original FILOT Act and Anderson County Ordinance 96-024, which was duly enacted by the County Council on December 3, 1996, Michelin North America, Inc., a corporation organized and existing under the laws of the State of New York (the “*Company*”) and the County previously entered into that certain Lease Agreement dated as of December 1, 1996 (as amended and restated by those certain Amendments to Lease Agreement by and between the County and the Company dated as of December 1, 1999, December 31, 2003, and January 3, 2006, the “*Lease*”), whereby the Company established certain facilities located in the County which facilities have been used by the Company primarily to manufacture tires and related products and to conduct research, development, distribution, office and other legal activities and function with respect thereto (the “*Project*”) and pursuant to which the Company previously made certain negotiated FILOT payments to the County with respect to the Project, all in accordance with the Original FILOT Act.

In order to finance the costs of the acquisition, construction, installation, expansion, improvement, design and engineering of certain real properties and improvements thereto and the machinery, equipment, fixtures, office production, distribution, research development facilities and furnishings to be installed in the Project, the County issued its \$300,000,000 aggregate principal amount Anderson County, South Carolina Industrial Revenue Bonds (Michelin North America, Inc. Project) (the “**Bonds**”) pursuant to Anderson County Ordinance 96-024 and that certain Trust Indenture dated as of December 1, 1996, among the County, First Union National Bank of South Carolina, National Association, and the Company, as purchaser of the Bonds (the “**Indenture**”) and the Original FILOT Act.

Pursuant to Section 12-44-170 of the Simplified FILOT Act, the County and the Company have converted and re-documented the negotiated FILOT and other incentive arrangements specified in the Lease pursuant to that certain Conversion and Fee in Lieu of Tax Agreement dated as of _____, 2020 (the “*Fee Agreement*”) between the County and the Company and further agreed in the Fee Agreement that the Bonds were thereby cancelled and the Lease was thereby terminated. In conjunction with such conversion and re-documentation, and in accordance with Section 12-44-170(B) of the Simplified FILOT Act and with the provisions of the Lease, the

County further agreed in the Fee Agreement to convey, and has conveyed, to the Company its right, title and interest in and to the Project.

In order to effect cancellation of the Bonds, the Company agrees to simultaneously herewith pay to the order of First Union National Bank of South Carolina, National Association, or its successor or successors in interest with regard to the Indenture (the "Trustee"), the principal of the Bonds issued and secured thereunder, the interest due or to become due thereon, and all sums of money due or to become due to the Trustee in accordance with the terms and provisions of the Indenture.

In consideration of the County's conveyance of the Project to the Company, the Company and the County hereby agree, affirm, and ratify that the Bonds have been cancelled and agree that the County shall have no further obligation to the Company thereunder.

IN WITNESS WHEREOF, I have hereunto set my hand effective as of the ____ day of _____, 2020.

MICHELIN NORTH AMERICA, INC.

By: _____
Name: _____
Title: _____

FOR ANDERSON COUNTY

Tommy Dunn, Chairman
Anderson County Council

ATTEST:

Rusty Burns
Anderson County Administrator

BILL OF SALE

THIS BILL OF SALE (this "Bill of Sale") is given by ANDERSON COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), to Michelin North America, Inc., a corporation organized and existing under the laws of the State of New York and qualified to do business in South Carolina (the "Company").

RECITALS:

WHEREAS, the County, as lessor, and the Company, as lessee, are parties to that certain Lease Agreement dated as of December 1, 1996 (the "Lease") pertaining to certain personal property owned by the County described in **Exhibit A** attached hereto (the "Property"); and

WHEREAS, the Company has determined to exercise its option to purchase the Property pursuant to Section 5.2 of the Lease; and

WHEREAS, the Company has satisfied all of the requirements set forth in the Lease for the purchase of the Property; and

WHEREAS, the County desires and intends hereby to convey to the Company any and all interest in the Property heretofore titled in the County pursuant to the terms of the Lease.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the County, for and in consideration of the sum of One and No/100 Dollar (\$1.00), lawful money of the United States, and no other valuable consideration, to it well and truly paid by the Company, at or before the ensembling and delivery hereof, the receipt and sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell, assign, transfer and convey to the Company all of the County's right, title and interest, if any, in and to all of the Property, including, without limitation, all machinery, equipment, fixtures and other personal property located on or about the real property more particularly described on **Exhibit A-1** attached hereto and incorporated herein by reference.

TO HAVE AND TO HOLD the same unto the Company, its successors and assigns, absolutely.

This Bill of Sale is made, executed, and delivered pursuant to the Lease.

[SIGNATURE PAGE ATTACHED]

WITNESS the County's hand and seal effective as of the _____ day of _____, 2020.

FOR ANDERSON COUNTY:

_____(SEAL)
Tommy Dunn, Chairman
Anderson County Council

ATTEST:

_____(SEAL)
Lacey Croegaert
Anderson County Clerk to Council

EXHIBIT A

All machinery, equipment, fixtures and personal property of every kind and only to the extent Anderson County holds title thereto, located at and installed upon or used on or about those certain manufacturing and distribution facilities constructed on the property more particularly described on Exhibit A-1 attached to this Bill of Sale.

EXHIBIT A-1

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

)
)
)

**QUITCLAIM DEED
(OF ALL RIGHT, TITLE,
AND INTEREST)**

THIS QUITCLAIM DEED (OF ALL RIGHT, TITLE, AND INTEREST) is given by ANDERSON COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (hereinafter referred to as "Grantor"), to MICHELIN NORTH AMERICA, INC., a Corporation organized and existing under the laws of the State of New York, and qualified to do business in South Carolina, with a mailing address of One Parkway South, Post Office Box 19001, Greenville, South Carolina 29602-9001 (hereinafter referred to as "Grantee").

RECITALS:

WHEREAS, Grantor, as lessor, and Grantee, as lessee, are parties to that certain Lease Agreement dated as of December 1, 1996 (the "Lease") and recorded in the office of the Anderson County Register of Deeds (the "Recording Office") at Book 2548, Page 82 pertaining to certain property owned by Grantor (as hereinafter described in more detail, the "Property"); and

WHEREAS, Grantee has determined to exercise its option to purchase the Property pursuant to Section 5.2 of the Lease; and

WHEREAS, Grantee has satisfied all of the requirements set forth in the Lease for the purchase of the Property; and

WHEREAS, Grantor desires and intends hereby to release, remise, and forever quitclaim to Grantee any and all interest in the Property heretofore titled in Grantor.

GRANT:

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that Grantor, for and in consideration of the sum of One and No/100 Dollar (\$1.00), lawful money of the United States, and no other valuable consideration, to it well and truly paid by Grantee, at and before the sealing and delivery hereof, the receipt and sufficiency of which is hereby acknowledged, has hereby released, remised, and quitclaimed, and by these presents does hereby release, remise, and forever quitclaim unto the said Grantee, its successors and assigns, forever, all of Grantor's right, title, and interest in and to the following described property, including any and all fixtures and improvements thereon (the "Property"):

See Exhibit A attached hereto and incorporated herein by reference.

GRANTEE'S MAILING ADDRESS: One Parkway South, Post Office Box 19001, Greenville, South Carolina 29602-9001

TOGETHER with all and singular, the rights, members, buildings, improvements, and fixtures situated on the Property and all hereditaments and appurtenances to the Property belonging or in anywise incident or appertaining and all of the estate and rights of the Grantor in and to the Property.

TO HAVE AND TO HOLD all and singular the said premises and interest quitclaimed above unto Grantee and the successors and assigns of Grantee, forever, so that neither Grantor, nor the successors or assigns of Grantor nor any other person or persons claiming under Grantor, or any of them,

shall at any time hereafter, by any way or means, have, claim or demand any right or title to the Property or appurtenances or any part or parcel thereof, forever.

[SIGNATURE PAGE ATTACHED]

WITNESS Grantor's hand and seal effective as of the ____ day of _____, 2020.

SIGNED, SEALED AND DELIVERED

GRANTOR:

IN THE PRESENCE OF:

FOR ANDERSON COUNTY:

Witness Number 1

By: _____ (SEAL)
Tommy Dunn, Chairman
Anderson County Council

Witness Number 2

ATTEST:

By: _____ (SEAL)
Lacey Croegaert
Anderson County Clerk to Council

STATE OF SOUTH CAROLINA

)

)

COUNTY OF ANDERSON

)

ACKNOWLEDGMENT

I, _____ a notary public for the State of South Carolina, do hereby certify that ANDERSON COUNTY, SOUTH CAROLINA, by Tommy Dunn, its Chairman of County Council, and attested to by Lacey Croegaert, its Clerk to County Council, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and seal (where an official seal is required by law) official seal, this _____ day of _____, 2020.

_____(SEAL)

Signature of Notary Public

My Commission Expires: _____

EXHIBIT A

DESCRIPTION OF PROPERTY CONVEYED:

**THIS INSTRUMENT WAS PREPARED BY AND UPON COMPLETION OF
RECORDATION PROCESS, PLEASE RETURN TO:**

**BURNET R. MAYBANK III, ESQUIRE
ANDREW W. SALEEBY, ESQUIRE
NEXSEN PRUET, LLC
POST OFFICE BOX 2426
COLUMBIA, SOUTH CAROLINA 29202**

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

)
)

AFFIDAVIT

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

1. I have read the information on this affidavit and I understand such information.
2. The property being transferred is located in the County of Anderson, bearing Anderson County Tax Map Number _____, and was transferred by Anderson County, South Carolina to Michelin North America, Inc. on the date shown on the foregoing deed.
3. Check one of the following: The deed is
 - (a) _____ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
 - (b) _____ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
 - (c) X _____ exempt from the deed recording fee because (See Information Section of Affidavit): #1 (If exempt, please skip items 4 - 7, and go to item 8 of this affidavit.). Exemption (1) (\$1.00).
4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit):
 - (a) _____ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of \$_____.
 - (b) _____ The fee is computed on the fair market value of the realty which is _____.
 - (c) _____ The fee is computed on the fair market value of the realty as established for property tax purposes which is _____.
5. Check Yes _____ or No _____ to the following: A lien or encumbrance on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "Yes," the amount of the outstanding balance of this lien or encumbrance is _____.
6. The deed recording fee is computed as follows:
 - (a) _____ Place the amount listed in item 4 above here: \$_____
 - (b) _____ Place the amount listed in item 5 above here: \$_____
 - (If no amount is listed, place zero here.)
 - (c) _____ Subtract Line 6(b) from Line 6(a) and place result here: \$_____
7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is \$_____.
8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: Grantor
9. I understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Sworn to before me this _____
_____ (SEAL)
day of _____, 2020
Notary Public for _____
My Commission Expires: _____

Tommy Dunn, Chairman, County Council
Anderson County, South Carolina

INFORMATION

Except as provided in this paragraph, the term “value” means “the consideration paid or to be paid in money or money’s worth for the realty.” Consideration paid or to be paid in money’s worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership

interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right. The fair market value of the consideration must be used in calculating the consideration paid in money’s worth. Taxpayers may elect to use the fair market value of the realty being transferred in determining fair market value of the consideration. In the case of realty transferred between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, and in the case of realty transferred to a trust or as a distribution to a trust beneficiary, “value” means the realty’s fair market value. A deduction from value is allowed for the amount of any lien or encumbrance existing on the land, tenement, or realty before the transfer and remaining on the land, tenement, or realty after the transfer. Taxpayers may elect to use the fair market value for property tax purposes in determining fair market value under the provisions of the law.

Exempted from the fee are deeds:

- (1) transferring realty in which the value of the realty, as defined in Code Section 12-24-30, is equal to or less than one hundred dollars;
- (2) transferring realty to the federal government or to a state, its agencies and departments, and its political subdivisions, including school districts;
- (3) that are otherwise exempted under the laws and Constitution of this State or of the United States;
- (4) transferring realty in which no gain or loss is recognized by reason of Section 1041 of the Internal Revenue Code as defined in Section 12-6-40(A);
- (5) transferring realty in order to partition realty as long as no consideration is paid for the transfer other than the interests in the realty that are being exchanged in order to partition the realty;
- (6) transferring an individual grave space at a cemetery owned by a cemetery company licensed under Chapter 55 of Title 39;
- (7) that constitute a contract for the sale of timber to be cut;
- (8) transferring realty to a corporation, a partnership, or a trust in order to become, or as, a stockholder, partner, or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increase in value in such stock or interest held by

the grantor. However, the transfer of realty from a corporation, a partnership, or a trust to a stockholder, partner, or trust beneficiary of the entity is subject to the fee even if the realty is transferred to another corporation, a partnership, or trust;

(9) transferring realty from a family partnership to a partner or from a family trust to a beneficiary, provided no consideration is paid for the transfer other than a reduction in the grantee's interest in the partnership or trust. A "family partnership" is a partnership whose partners are all members of the same family. A "family trust" is a trust, in which the beneficiaries are all members of the same family. The beneficiaries of a family trust may also include charitable entities. "Family" means the grantor and the grantor's spouse, parents, grandparents, sisters, brothers, children, stepchildren, grandchildren, and the spouses and lineal descendants of any of the above. A "charitable entity" means an entity which may receive deductible contributions under Section 170 of the Internal Revenue Code as defined in Section 12-6-40(A);

(10) transferring realty in a statutory merger or consolidation from a constituent corporation to the continuing or new corporation;

(11) transferring realty in a merger or consolidation from a constituent partnership to the continuing or new partnership; and,

(12) that constitute a corrective deed or a quitclaim used to confirm title vested in the grantee, provided that no consideration of any kind is paid or is to be paid under the corrective or quitclaim deed.

EXHIBIT B

(LEGAL DESCRIPTION)

All that certain piece, parcel or lot of land situate, lying and being on the northern side of S. C. Highway S 4-62 in the County of Anderson, State of South Carolina containing 147.6 acres, more or less, and designated as "Plant Site" as shown on plat of survey of Property of Michelin Tire Corporation made by Piedmont Engineers, Architects and Planners dated October 19, 1976 as amended by Tri-State Surveyors on December 28, 1988 and having, according to said plat, the following metes and bounds, to-wit:

BEGINNING at a point in the center of S. C. Highway S-4-58 at the joint corner of the within described tract and property now or formerly of Mount Zion Church and running thence with the line of the property of said church, N. 25-11 W. 235.7 feet; thence N. 72-00 W. 163.5 feet to a four inch metal plate; thence S. 84-31 W. 197.5 feet to an iron pin; thence S. 9-38 E. 33.0 feet to an iron pin; thence S. 3-36 E. 57 feet to an iron pin; thence S. 42-36 W. 157.0 feet to a point in the center of S. C. Highway S-4-62; thence with the center of said highway as follows: N. 53-27 W. 151.7 feet to a point, N. 52-49 W. 476.7 feet to a point, N. 56-52 W. 155.5 feet to a point, N. 56-36 W. 130.0 feet to a point, N. 61-41 W. 300 feet to a point, N. 61-58 W. 776.6 feet to a point, N. 56-10 W. 300.0 feet to a point, N. 50-45 W. 600 feet to a point, thence leaving the center of said highway and running N. 35-37 E. 2,390.3 feet to an iron pin; thence N. 13-20 E. 494.4 feet to an iron pin; thence with the curve the chord of which is N. 9-03 E. 294.6 feet to an iron pin; thence with the curve the chord of which is N. 0-00 E. 292.0 feet to a point on the right of way of Southern Railway Company; thence with the curve of the right of way of Southern Railway Company the chord of which is S. 25-34 E. 243.7 feet to a point on said right of way; thence leaving said right of way and running with the curve the chord of which is S. 8-00 W. 390.0 feet to a point; thence S. 13-20 W. 556.0 feet to an iron pin; thence S. 45-01 E. 921.4 feet to an iron pin; thence N. 49-30 E. 775.0 feet to a point on the Southern Railroad Company right of way; thence with said right of way, S. 48-25 E. 70.0 feet to a point; thence leaving said right of way and running S. 49-30 W. 455.0 feet to an iron pin; thence S. 35-15 E. 349.5 feet to an iron pin; thence S. 55-00 W. 330.0 feet to an iron pin; thence S. 46-00 E. 750.0 feet to an iron pin; thence S. 11-36 E. 572.7 feet to an iron pin; thence S. 49-36 E. 310.2 feet to an iron pin; thence S. 4-36 E. 271.5 feet to an iron pin; thence S. 40-24 W. 195.0 feet to an iron pin; thence S. 12-22 E. 473.3 feet to an iron pin; thence S. 28-51 W. 99.3 feet to an iron pin; thence S. 22-42 E. 231.8 feet to a point in the center of S. C. Highway S-4-58; thence with the center of said highway S. 80-34 W. 328.7 feet to an iron pin, the point of beginning.

Real Property	Tag Number
	200518
	200552
	200563
	200565
	200570
	200571
	200572
	200573
	200574
	200575
	200576
	200583
	200999
	206947
	206949

050023862 7/29/2005 Bk: 06868 Pg: 00274

Anderson County
Page 1 of 7
2002
County Bond

STA1 FILOT
Anderson County

Real Property	Tag Number
	212441
	212443
	212446
	212448
	212450
	212452
	212453
	212458
	212459
	212627
	212628

050023862 7/29/2005 Bk: 06868 Ps: 00278

State of South Carolina
County of Anderson

QUIT CLAIM DEED

KNOW ALL MEN BY THESE PRESENTS that MICHELIN NORTH AMERICA, INC., a corporation incorporated under the laws of the State of New York, having an address of One Parkway South, Greenville, South Carolina 29615 (hereinafter the "Grantor"), for and in consideration of the sum of Ten (\$10.00) dollars, received to its full satisfaction from ANDERSON COUNTY, SOUTH CAROLINA (hereinafter the "Grantee"), does give, grant, bargain, sell and convey unto the said Grantee, its successors and assigns, the following described premises:

All that certain piece, parcel or tract of land containing 5.97 acres of land, situate, lying and near the Interchange of Hwy 29 and Richland Drive near the town of Starr, South Carolina located in Anderson County, State of South Carolina. Said property being more particularly described as follows:

Beginning at a point in the center of Hillhouse Drive (SC Rd. #4-258), which point is marked by an old nail at the junction of Michelin North America, Inc. property and the John C. Burress property, the beginning corner, and proceeding along said centerline N28°-22'-55" E for a distance of 75.62' to an old nail corner; thence N34°-21'-42" E for a distance of 42.24' to a new nail and bottle cap corner; thence leaving said centerline S65°-43'-00" E for a distance of 13.47' to a new iron pin corner; thence along a curve whose radius is 267.27' and whose chord is S74°-53'-36" E, for a distance of 85.18' to a new iron pin corner; thence S84°-04'-12" E for a distance of 2,167.87' to a new iron pin corner; thence along a curve whose radius is 1,942.86' whose chord is S81°-57'-38" E, for a distance of 143.02' to a new iron pin corner; thence S78°-49'-54" E for a distance of 240.23' to a new iron pin corner; thence along a curve whose radius is 1,876.86' and whose chord is S81°-45'-43" E, for a distance of 191.88' to a new iron pin corner; thence S05°-18'-44" W, 53.56' to a new iron pin corner; thence N84°-38'-12" W, 393.92' to an old PK nail; thence N85°-22'-26" W, 50.36' to an old iron pin corner; thence N85°-25'-26" W, 302.65' to an old iron pin corner; thence N83°-47'-27" W, 500.33' to an old iron pin corner; thence N83°-33'-33" W, 599.82' to an old iron pin corner; thence N83°-52'-03" W, 1,041.25' to the beginning corner.

This being a portion of Anderson County TMS #098-00-05-001

Said description is shown on "Boundary Survey of New Right of Way", Exhibit A, Richland Drive, 5.97 acres, a portion of Michelin North America, Inc., surveyed at the request of Anderson County, by Farmer & Simpson Engineers, Inc., dated March 24, 2003.

Grantee's Address: 101 South Main Street, Anderson, SC 29624

Plat Slide 1383 Page 5

This conveyance is being made subject to any and all existing public utility rights of user, reservations, easements, rights of way, control of access, zoning ordinances and restrictions or protective covenants, that may appear on record or on the premises, other than those hereby released.

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to the said premises belonging, or in anywise incident or appertaining.

TO HAVE AND TO HOLD, all and singular, the said premises before mentioned unto Anderson County, South Carolina, its successors, and assigns forever.

PILOT #
213885
213887
213888
219019

Anderson County
2003 FISCAL
Page 1 of 3

FILOT Number

227882
21RB3281
242195

Anderson 2004
County Bond
1 of 7

FILOT Number

242954

2005 SC Re:

254884
254885
255917
257414
259027
259028
259029
259035
259050

SC FILOT 2005
Real Property
AND2 Anderson

2005 SC Re:

256629
256630
256631
256632
256633
256634
2IRB333

SC FILOT 2006
Real Property
AND1 Anderson

FILOT Number

267203

267208

267259

Anderson 2006 FILOT

384

SC FILOT 2007
Real Property
STA1 Anderson

FILOT Number

277535
277536
277537
277538
277539
277540
277555

2007 FILOT
4 of 9

Schedule

296024901 3/03/2007 Bl: 09040 Fb: 00007

SC FILOT 2008
Real Property
AND1 Anderson

090010954 5/14/2009 Bl: 09163 Pg: 00016

FILOT Number

296024
296025
296026

Star Date

100001317 1/22/2010 BP# 09486 Pg# 00101

Grantee's Address: P.O. Box 8002, Anderson, SC 29622.

STATE OF SOUTH CAROLINA)

TITLE TO REAL ESTATE

COUNTY OF ANDERSON)

Recitals.

Pursuant to a Bond Ordinance dated December 3, 1996 (the "Bond Ordinance"), the Anderson County Council authorized the issuance of Anderson County, South Carolina Industrial Revenue Bonds (Michelin North America, Inc. Project) in an aggregate principal amount not exceeding \$300,000,000 in one or more series through December 31, 2004, or through December 31, 2006, if an extension of time in which to complete the Project is granted by the County pursuant to Section 4-29-67 of the Bond Act (the "Bonds") for the purpose of financing the cost of the acquisition, construction, installation, design and engineering, of certain real properties and improvements thereto and the expansion, improvement, machinery, equipment, fixtures, office production, distribution, research and development facilities and furnishings to be installed therein for the operation of such facilities related to the production and sale of tires and other legal activities of Michelin North America, Inc. (the "Company") and its affiliates (the "Project") with respect to its manufacturing, office, distribution and research facilities in the County (the "Facilities"). The Project involves an initial investment of at least \$45,000,000 within the meaning of Section 4-29-67 of the Bond Act and may involve an investment of \$200,000,000 within the meaning of Section 4-29-67(D)(4) of the Bond Act.

As contemplated by the Bond Ordinance, the Company and its affiliates are to convey title to the Project to the County in Phases in connection with each requisition from a construction fund to be established with the proceeds of the issuance of the Bonds by Bills of Sale and, if any real property is included in the Phase, by Titles to Real Estate. Pursuant to a Lease Agreement between the County and the Company, the County has agreed to lease the Project (and each Phase thereof) back to the Company and its affiliates in return for rental payments that are exactly equal and fully sufficient to make the payments due under the Bonds by the County.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that MICHELIN NORTH AMERICA, INC., a corporation duly qualified to transact business in the State of South Carolina ("Grantor"), for and in consideration of the sum of Five Million Six Hundred Forty Six Thousand Six Hundred Forty Six and 11/100 (\$ 5,646,646.11) Dollars, the receipt and sufficiency of which are hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto ANDERSON COUNTY, SOUTH CAROLINA, a body politic and corporate and political subdivision of the State of South Carolina ("Grantee"), its successors and assigns, the real property described in the attached Exhibit A.

SUBJECT, HOWEVER, to all easements, rights-of-way, and licenses now existing or hereafter granted by the Grantor, it being the intention of the Grantor to reserve herein the right to grant such easements, rights-of-way, and licenses.

TO HAVE AND TO HOLD all and singular the above-described parcels of land and premises, together with all and singular the rights, members, hereditaments, improvements, easements and appurtenances thereunto belonging or in any wise appertaining (collectively the "Premises") unto the Grantee, and the Grantee's successors and assigns, forever.

AND LASTLY, the Grantor does hereby bind itself and its successors to warrant and forever defend all and singular the title to said premises unto the Grantee and the Grantee's successors and assigns against the Grantor and its successors and against every person whomsoever lawfully claiming or to claim the same or any part thereof.

IN WITNESS WHEREOF, the Grantor has caused its corporate seal to be affixed hereto and these presents to be subscribed by its duly authorized representative, this 11th day of December, 2009.

SIGNED, sealed and delivered
in the presence of:

MICHELIN NORTH AMERICA, INC. (SEAL)

M. Amy Copple
Levi Heard

By: [Signature]
Authorized Company Representative

STATE OF SOUTH CAROLINA)

PROBATE

COUNTY OF ANDERSON)

PERSONALLY appeared the undersigned witness and made oath that (s)he saw the within named Michelin North America, Inc., by its duly authorized representative, sign, seal and as its act and deed, deliver the within written Title to Real Estate and that (s)he, with the other witness subscribed above, witnessed the execution thereof.

M. Amy Copple

SWORN to before me this
11th day of December, 2009

Levi Heard

Notary Public for South Carolina

My commission expires: Sept 2, 2013

EXHIBIT A

EXHIBIT A

(Parcel 1)

All that certain piece, parcel or lot of land situate, lying and being in the Township of Varennes, County of Anderson, State of South Carolina; bounded now or formerly as follows: north by other lands of Scarborough, east by the centerline of Marshall Road and lands of Michelin North America, Inc. (Tract 10), south by Marshall Road and west by other lands of Scarborough; said land being designated as Parcel 1 containing 0.56 acres, more or less, and being more fully described by metes and bounds on a plat of survey for Michelin prepared by Farmer & Simpson Engineers, Inc. dated March 17, 2000 and recorded in the Office of the Register of Deeds for Anderson County, South Carolina in Plat Book/Slide No. 1114, page 3, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in the intersection of Lee Dobbins Road and Marshall Road and running thence in and through Lee Dobbins Road the following courses and distances: N. 26-48-22 W. 72.71 feet to a nail and cap, N. 26-48-22 W. 289.68 feet to an iron pin, N. 41-48-22 W. 99.17 feet, and N. 48-11-38 E. 32.61 feet to an iron pin on the eastern side of said Road; thence S. 36-08-38 E. 45.60 feet to an iron pin; thence S. 33-56-44 E. 51.25 feet to an iron pin; thence S. 31-10-57 E. 36.17 feet to an iron pin; thence along a curve having a radius of 94.00 feet, a length of 97.27 feet, and a chord bearing of S. 60-49-40 E. 92.99 feet to an iron pin; thence, N. 46-29-45 E. 35.28 feet to an iron pin on the western side of Marshall Road; thence S. 88-35-28 W. 31.24 feet to a nail and cap in the centerline of Marshall Road; thence with the centerline of said Road S. 01-24-32 W. 129.44 feet to a nail and cap and S. 01-23-42 W. 157.73 feet to a nail and cap, the Point of Beginning.

The above property is a portion of the property acquired by Joe Pierce Scarborough and Pearl Scarborough by Deed of Jesse B. Smith recorded April 7, 1966 in Book 14-Q, page 386 of the Office of the Register of Deeds for Anderson County. Also, Book 3698, Page 178 recorded March 31, 2000.

TM No. Pt. of 98-00-02-011

(Parcel 2)

Also, all that certain piece, parcel or lot of land situate lying and being in the Township of Varennes, County of Anderson, State of South Carolina; bounded now or formerly as follows: North by Marshall Road, Lee Dobbins Road and Parcel 1 hereinabove described, east by Lee Dobbins Road and lands of Michelin North America, Inc. (Tract 10), south by lands of Axmann, and west by other lands of Scarborough; said land being designated as Parcel 2 containing 0.50 acres, more or less, and being more fully described by metes and bounds on a plat of survey for Michelin prepared by Farmer & Simpson Engineers, Inc. dated March 17, 2000, and recorded in the office of the Register of Deeds for Anderson County, South Carolina in Plat Book/Slide No. 1114, page 3, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in the intersection of Lee Dobbins Road and Marshall Road and running thence in and through Lee Dobbins Road N. 26-48-22 W. 72.71 feet to a nail and cap; thence S. 02-11-28 W. 269.8 feet to an iron pin; thence S. 87-00-58 E. 162.80 feet to a nail and cap in the center of Lee Dobbins Road; thence with the centerline of Lee Dobbins Road N. 29-16-05 W. 244.38 feet to a nail and cap, the Point of Beginning.

The above property is a portion of the property acquired by Joe P. Scarborough and Pearl C. Scarborough by Deed of William L. McIntosh recorded November 12, 1992 in Book 1502, page 275 of the Office of the Register of Deeds for Anderson County. Also, Book 3698 Page 178, recorded March 30, 2000.
TM No. Pt. of 98-00-07-15

EXHIBIT A

(Parcel 3)

All that certain piece, parcel or lot of land situate, lying and being in the Township of Varennes, County of Anderson, State of South Carolina; bounded now or formerly as follows: north by lands of Scarborough, east by the center lines of Hillhouse Drive and Lee Dobbins Road and lands of Michelin North America, Inc. (Tracts 10 and 4), south by Hillhouse Drive and west by other lands of Axmann; said land being designated as Parcel 3 containing 3.53 acres, more or less, and being more fully described by metes and bounds on a plat of survey for Michelin prepared by Farmer & Simpson Engineers, Inc. dated March 17, 2000 and recorded in the Office of the Register of Deeds for Anderson County, South Carolina in Plat Book/Slide No. 1114, page 3, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at an iron pin on the Western side of Hillhouse Drive (S-4-258) and running thence S. 73-37-55 E. 37.53 feet to a nail in the center line Hillhouse Drive; thence along the center line of said Hillhouse Drive the following courses and distances: N. 44-58-05 E. 334.73 feet to a nail, N. 45-37-50 E. 339.78 feet to a nail, N. 25-43-57 E. 264.90 feet to a nail; and N. 27-59-13 E. 187.83 feet to a nail in the intersection of Hillhouse Drive and Lee Dobbins Road (S-4-65); thence along the center line of said Lee Dobbins Road N. 18-53-20 W. 142.11 feet to a nail and N. 29-16-05 W. 112.35 feet to a nail; thence N. 87-00-58 W. 162.80 feet to an iron pin; thence S. 02-11-28 W. 326.84 feet to an iron pin; thence S. 01-29-45 W. 114.37 feet to an iron pin; thence along a curve having a radius of 581.00 feet, a length of 437.90 feet and a chord bearing of S. 23-05-16 W. 427.61 feet to an iron pin on the west side of Hillhouse Drive; thence S. 44-40-47 W. 386.74 feet to an iron pin, the Point of Beginning.

The above property is a portion of the property acquired by Rufus Franklin Axmann, William Roy Axmann and William Todd Axmann under the will of Mary H. Axmann, deceased June 14, 1999, as appears in Estate File No. 1999ES0400614 of the Anderson County Probate Court and also by Deed of Distribution recorded March 6, 1999, in Book 3672, page 52 of the Office of the Register of Deeds for said County. Also, Book 3698, Page 174, recorded 3/31/2000.

TM No. Pt. of 98-00-07-016

EXHIBIT A
(Out Parcel 1)

*Just property
 all right - to Margaret
 home - H - 16
 June*

All that certain piece, parcel or tract of land situate, lying and being on the southern side of Hilltop Circle Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: on the north and the east by Hilltop Circle, on the south and the west by lands of Zoe O. McGill Estate, said land being designated as Out Parcel 1, containing 0.79 acre, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at an iron pin on the western side of Hilltop Circle at a corner of Tract 6, and running thence N. 66-42-01 W. 209.50 feet to an iron pin; thence N. 23-17-59 E. 193.50 feet to an iron pin; thence along Hilltop Circle S. 52-04-01 E. 178.00 feet, S. 14-11-47 E. 61.17 feet, and S. 23-16-43 W. 100.00 feet to the Point of Beginning.

The above described property is the same property to which an undivided one-half interest was conveyed by Lena Cleveland to Palmer C. Cleveland by deed recorded in the Office of the Register of Deeds for Anderson County in Deed Book 789, page 182 on February 1, 1989. Lena Palmer died testate on June 26, 1999, seized and possessed of the remaining one-half interest in the property which was devised by her to Palmer C. Cleveland as will appear by reference to the records on file in the Anderson County Probate Court in File 99ES04000740.

Also, Book 3581 Page 218, recorded December 2, 1999.

Tax Map No. 98-00-05-005-000

EXHIBIT A
(Out Parcel 2)

All that certain piece, parcel or tract of land situate, lying and being on the northern side of Lee Dobbins Road at the intersection with the western side of Hilltop Circle Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: on the east by Hilltop Circle, on the north and west by lands of Zoe O. McGill Estate, and on the south by Lee Dobbins Road; said land being designated as Out Parcel 2, containing 1.01 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in the centerline of Lee Dobbins Road at the western intersection of Hilltop Circle, and running thence with the centerline of Lee Dobbins Road N. 37-33-21 W. 211.62 feet; thence N. 45-37-37 E. 194.96 feet to an iron pin; thence S. 45-07-31 E. 209.98 feet to an iron pin on Hilltop Circle; thence with Hilltop Circle S. 45-35-08 W. 222.83 feet to the Point of Beginning.

The above described property was conveyed to Violet Ilene Medlin and Sarah Louise Medlin by deed of Frank McGill recorded in the Office of the Register of Deeds for Anderson County in Deed Book 12-T, page 458 on August 28, 1961. Also, Book 3581 Page 221, recorded December 2, 1999.

Tax Map No. 98-00-05-006-000

EXHIBIT A
(Out Parcel 3)

All that certain piece, parcel or tract of land situate, lying and being on the ~~northern~~ side of Lee Dobbins Road at the intersection with the eastern side of Hilltop Circle Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: on the west by Hilltop Circle, on the north by lands of Zoe O. McGill Estate, on the east by lands of Hill, and on the south by Lee Dobbins Road; said land being designated as Out Parcel 3, containing 2.01 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in the centerline of Lee Dobbins Road at the eastern intersection of Hilltop Circle and running thence along Hilltop Circle N. 45-32-44 E. 277.40 feet to an iron pin; thence S. 70-04-14 E. 195.37 feet to an iron pin; thence S. 23-17-11 W. 409.07 feet to a nail and cap in Lee Dobbins Road; thence along the centerline of said road N. 44-58-39 W. 166.80 feet and N. 38-07-13 W. 165.34 feet to the Point of Beginning.

The above described property is the same property conveyed to William M. Lackey and Alleen B. Lackey by deed of Joe B. McGill recorded in the Office of the Register of Deeds for Anderson County in Deed Book 14-L, page 273, on November 11, 1965. William M. Lackey died testate September 29, 1992, and devised his interest in the property to Mary Alleen Lackey, a/k/a Alleen B. Lackey, as will appear by reference to the records on file in the Anderson County Probate Court in File No. 92ES0400821. See also deed of distribution from the Estate of William Lackey recorded in Deed Book 1541, page 227 on January 15, 1993.

Also, Book 3581 Page 224, recorded December 2, 1997.

Tax Map No. 98-00-05-007-000

EXHIBIT A
(Tract 1)

All that certain piece, parcel or tract of land situate, lying and being on the southern side of Lee Dobbins Road at the intersection with Cleveland Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by Lee Dobbins Road, east by lands of the Zoe O. McGill Estate and Miler (Trustee), south by Richland Drive and east by Cleveland Road; said land being designated as Tract 1 containing 147.02 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in or near the centerline of Lee Dobbins Road at the intersection of Cleveland Road and at the northeastern corner of Tract 5, and running thence along and through Cleveland Road the following courses and distances: S. 25-00-40 W. 415.00 feet, S. 25-00-13 W. 1,081.27 feet, S. 67-29-07 E. 26.75 feet, S. 22-00-53 W. 1,359.44 feet, S. 17-13-53 W. 234.25 feet, and S. 08-51-34 W. 571.66 feet to an iron pin in Richland Drive; thence along and through Richland Drive S. 85-28-36 E. 50.42 feet, S. 84-44-22 E. 1,270.04 feet, S. 81-48-22 E. 174.33 feet, and S. 85-05-38 E. 867.51 feet to an iron pin; thence N. 03-05-34 E. 1,369.01 feet to an iron pin; thence N. 03-19-13 E. 1,108.22 feet to an iron pin; thence N. 20-20-43 W. 453.50 feet to an iron pin; thence N. 22-44-44 E. 320.91 feet to a nail and cap in or near the centerline of Lee Dobbins Road; thence along the centerline of Lee Dobbins Road N. 69-34-15 W. 1,260.79 feet to a nail and cap, the Point of Beginning.

The above described property was conveyed to William Lee Dobbins, Jr. and Allison Marvin Dobbins by deed of William Lee Dobbins recorded in the Office of the Register of Deeds for Anderson County in Deed Book 15-Q, page 629 on July 23, 1968 and to Allison Marvin Dobbins and Mary Dobbins Swift by deed of William Lee Dobbins recorded in Deed Book 19-O, page 147 on April 20, 1981. Also, Book 3611 Page 276, Book 3611 Page 281 and Book 3611 Page 286, all recorded January 4, 2000.

Tax Map No. 99-00-01-001-000

*Done
by
L. C. Thomas*

EXHIBIT A
(Tract 1)

All that certain piece, parcel or tract of land situate, lying and being on the southern side of Lee Dobbins Road at the intersection with Cleveland Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by Lee Dobbins Road, east by lands of the Zoe O. McGill Estate and Miler (Trustee), south by Richland Drive and east by Cleveland Road; said land being designated as Tract 1 containing 147.02 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in or near the centerline of Lee Dobbins Road at the intersection of Cleveland Road and at the northeastern corner of Tract 5, and running thence along and through Cleveland Road the following courses and distances: S. 25-00-40 W. 415.00 feet, S. 25-00-13 W. 1,081.27 feet, S. 67-29-07 E. 26.75 feet, S. 22-00-53 W. 1,359.44 feet, S. 17-13-53 W. 234.25 feet, and S. 08-51-34 W. 571.60 feet to an iron pin in Richland Drive; thence along and through Richland Drive S. 85-28-36 E. 50.42 feet, S. 84-44-22 E. 1,270.04 feet, S. 81-48-22 E. 174.33 feet, and S. 85-05-38 E. 867.51 feet to an iron pin; thence N. 03-05-34 E. 1,369.01 feet to an iron pin; thence N. 03-19-13 E. 1,108.22 feet to an iron pin; thence N. 20-20-43 W. 453.50 feet to an iron pin; thence N. 22-44-44 E. 320.91 feet to a nail and cap in or near the centerline of Lee Dobbins Road; thence along the centerline of Lee Dobbins Road N. 69-34-15 W. 1,260.79 feet to a nail and cap, the Point of Beginning.

The above described property was conveyed to William Lee Dobbins, Jr. and Allison Marvin Dobbins by deed of William Lee Dobbins recorded in the Office of the Register of Deeds for Anderson County in Deed Book 15-Q, page 629 on July 23, 1968 and to Allison Marvin Dobbins and Mary Dobbins Swift by deed of William Lee Dobbins recorded in Deed Book 19-O, page 147 on April 20, 1981. Also, Book 3611, Page 276, Book 3611 Page 281 and Book 3611 Page 286, all recorded January 4, 2000.

Tax Map No. 99-00-01-001-000

EXHIBIT A
(Tract 1)

All that certain piece, parcel or tract of land situate, lying and being on the southern side of Lee Dobbins Road at the intersection with Cleveland Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by Lee Dobbins Road, east by lands of the Zoe O. McGill Estate and Miler (Trustee), south by Richland Drive and east by Cleveland Road; said land being designated as Tract 1 containing 147.02 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in or near the centerline of Lee Dobbins Road at the intersection of Cleveland Road and at the northeastern corner of Tract 5, and running thence along and through Cleveland Road the following courses and distances: S. 25-00-40 W. 415.00 feet, S. 25-00-13 W. 1,081.27 feet, S. 67-29-07 E. 26.75 feet, S. 22-00-53 W. 1,359.44 feet, S. 17-13-53 W. 234.25 feet, and S. 08-51-34 W. 571.66 feet to an iron pin in Richland Drive; thence along and through Richland Drive S. 85-28-36 E. 50.42 feet, S. 84-44-22 E. 1,270.04 feet, S. 81-48-22 E. 174.33 feet, and S. 85-05-38 E. 867.51 feet to an iron pin; thence N. 03-05-34 E. 1,369.01 feet to an iron pin; thence N. 03-19-13 E. 1,108.22 feet to an iron pin; thence N. 20-20-43 W. 453.50 feet to an iron pin; thence N. 22-44-44 E. 320.91 feet to a nail and cap in or near the centerline of Lee Dobbins Road; thence along the centerline of Lee Dobbins Road N. 69-34-15 W. 1,260.79 feet to a nail and cap, the Point of Beginning.

The above described property was conveyed to William Lee Dobbins, Jr. and Allison Marvin Dobbins by deed of William Lee Dobbins recorded in the Office of the Register of Deeds for Anderson County in Deed Book 15-Q, page 629 on July 23, 1968 and to Allison Marvin Dobbins and Mary Dobbins Swift by deed of William Lee Dobbins recorded in Deed Book 19-O, page 147 on April 20, 1981. Also Book 3611, Page 276, Book 3611 Page 281 and Book 3611 Page 286, all recorded January 4, 2000.

Tax Map No. 99-00-01-001-000

EXHIBIT A
(Tract 2)

All that certain piece, parcel or tract of land situate, lying and being on the southern side of Lee Dobbins Road (S-4-65) in the County of Anderson, State of South Carolina, bounded now or formerly as follows: north by Lee Dobbins Road, east by lands of the Zoe O. McGill Estate, south and west by lands of Dobbins, et al.; said land being designated as Tract 2 containing 2.14 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in or near the centerline of Lee Dobbins Road at the northeastern corner of Tract 1, and running thence S. 69-51-08 E. 99.90 feet to an iron pin; thence S. 36-40-15 E. 87.76 feet to an iron pin on the southern side of Lee Dobbins Road; thence S. 15-56-51 W. 296.34 feet to an iron pin; thence S. 06-57-42 W. 188.06 feet to an iron pin; thence S. 03-18-50 W. 145.00 feet to an iron pin; thence N. 20-20-43 W. 453.50 feet to an iron pin; thence N. 22-44-44 E. 320.91 feet to the Point of Beginning.

The above described property was conveyed to Mary Ramsey Dobbins by deed of William Lee Dobbins recorded in the Office of the Register of Deeds of Anderson County in Deed Book 8-H, page 175 on January 16, 1948. Also, Book 3581 Page 192, recorded December 2, 1999.

Tax Map No. 99-00-01-002-000

EXHIBIT A
(Tract 3)

All that certain piece, parcel or tract of land situate, lying and being on the western side of Cleveland Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by lands of William Lee Dobbins, Jr., et al., east by Cleveland Road, south by lands of Stone, and west by lands of Sullivan; said land being designated as Tract 3 containing 5.40 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at an iron pin on or near the western side of Cleveland Road at the southwestern corner of Tract 1, and running thence N. 08-51-34 E. 571.66 feet to an iron pin; thence N. 17-13-53 E. 234.25 feet to an iron pin; thence N. 22-00-53 E. 1,359.44 feet to an iron pin; thence S. 24-52-32 W. 1,337.09 feet to an iron pin; thence S. 24-53-24 W. 906.43 feet to an iron pin; thence S. 85-28-36 E. 302.58 feet to the Point of Beginning.

The above described property was conveyed to Mary Virginia Dobbins by deed of W. Lee Dobbins, William L. Dobbins, Jr. and Allison M. Dobbins recorded in the Office of the Register of Deeds for Anderson County in Deed Book 16-D, page 639, on September 18, 1969. Also, Book 3581 Page 196, recorded December 2, 1999.

Tax Map No. 99-00-05-022-000

EXHIBIT A
(Tract 4 and Tract 5)

All that certain piece, parcel or tract of land situate, lying and being on the southern side of Lee Dobbins Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by Lee Dobbins Road, east by Cleveland Road, south by lands of Sullivan and West by Hillhouse Drive; said land being designated as Tract 4 containing 44.01 acres, more or less, and Tract 5 containing 2.99 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in or near the centerline of Lee Dobbins Road at the intersection of Cleveland Road at the northwestern corner of Tract 1, and running thence along Cleveland Road S. 25-00-40 W. 415.00 feet and S. 25-00-13 W. 1,081.27 feet to an iron pin; thence N. 69-05-34 W. 989.56 feet to an iron pin; thence N. 73-36-47 E. 497.35 feet to a nail and cap in Hillhouse Drive; thence along the centerline of Hillhouse Drive the following courses and distances: N. 33-06-16 E. 577.42 feet, N. 45-02-03 E. 65.08 feet, N. 44-58-05 E. 334.73 feet, N. 45-37-50 E. 339.78 feet, N. 25-43-57 E. 264.90 feet, and N. 27-59-13 E. 187.83 feet to a nail and cap in or near the centerline of Lee Dobbins Road; thence along Lee Dobbins Road S. 61-03-03 E. 816.39 feet and S. 61-18-26 E. 314.23 feet to a nail and cap, the Point of Beginning.

The above described property was conveyed to Edward F. Hillhouse by deed of Elizabeth H. McAlister, Mary H. Axman and Joe W. Hillhouse recorded in the Office of the Register of Deeds for Anderson County in Deed Book 14-O, page 194 on January 25, 1966, and by deed of R. H. Hillhouse, Elizabeth H. McAlister, Mary H. Axman and Joe W. Hillhouse recorded in Deed Book 9-T, page 79 of said office on December 9, 1953. Also, Book 3581 Page 200, recorded December 2, 1999.

Tax Map No. 98-00-06-001-000
 98-00-06-002-000

EXHIBIT A
(Tract 6)

All that certain piece, parcel or tract of land situate, lying and being on the both sides of Lee Dobbins Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by lands of Scarborough, east by lands of Miler (Trustee) and Hill, south by lands of Miler (Trustee), and west by lands of Dobbins, *et al.*; said land being designated as Tract 6 containing 78.61 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at an iron pin in or near the centerline of Lee Dobbins Road at the southeastern corner of Tract 8, and running thence N. 36-09-35 E. a total of 1,172.42 feet to an iron pin; thence S. 52-09-42 E. 507.00 feet to an iron pin; thence S. 52-04-51 E. 1,485.05 feet to an iron pin; thence S. 24-11-12 W. 180.25 feet to an iron pin; thence S. 22-55-16 W. 415.42 feet to an iron pin; thence N. 70-04-14 W. 195.37 feet to an iron pin; thence S. 45-32-44 W. 277.40 feet to a nail and cap in Lee Dobbins Road; thence N. 37-55-45 W. 50.35 feet to a nail and cap; thence N. 45-35-08 E. 222.83 feet to an iron pin; thence N. 26-14-07 E. 287.48 feet to an iron pin; thence N. 23-16-43 E. 100.00 feet to an iron pin; thence N. 14-11-47 W. 61.17 feet to an iron pin; thence N. 52-04-01 W. 178.00 feet to an iron pin; thence S. 23-17-59 W. 193.50 feet to an iron pin; thence S. 66-42-01 E. 209.50 feet to an iron pin; thence S. 26-14-07 W. 287.48 feet to an iron pin; thence N. 45-07-31 W. 209.98 feet to an iron pin; thence S. 45-37-37 W. 194.96 feet to a nail and cap in the centerline in Lee Dobbins Road; thence along the centerline of Lee Dobbins Road S. 37-33-21 E. 211.62 feet, S. 37-55-45 E. 50.35 feet, S. 38-07-13 E. 165.34 feet and S. 44-58-39 W. 166.80 feet; thence S. 23-03-11 W. 72.75 feet to an iron pin; thence N. 64-48-35 W. 747.84 feet to an iron pin; thence N. 71-10-30 W. 653.75 feet to an iron pin; thence S. 02-12-41 W. 1,161.92 feet to an iron pin; thence N. 80-21-14 W. 630.53 feet to an iron pin; thence N. 03-19-13 E. 1,108.22 feet to an iron pin; thence N. 03-18-50 E. 145.00 feet to an iron pin; thence N. 06-57-42 E. 188.06 feet to an iron pin; thence N. 15-56-51 E. 296.34 feet to an iron pin; thence N. 36-40-15 W. 87.76 feet to an iron pin, the Point of Beginning.

The above described property is a portion of the property devised to Larry Ned McGill, Joe Ben McGill, Peggy McGill Porter and Ann McGill under the Last Will and Testament of Zoe O. McGill who died on February 1, 1978, as will by reference to the records on file in the Anderson County Probate Court in File No. 29423. Also, Book 3581 Page 203, recorded December 2, 1999

Tax Map No. 98-00-05-004-000

EXHIBIT A
(Tract 7)

All that certain piece, parcel or tract of land situate, lying and being on the eastern side of Hillhouse Drive in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by lands of Hillhouse, east by Cleveland Road and lands of Swift (formerly Dobbins), south by lands of Burress and Stone, and west by Hillhouse Drive; said land being designated as Tract 7 containing 94.33 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at an iron pin at the southwestern corner of Tract 3, and running thence N. 83-51-39 W. 500.33 feet to an iron pin; thence N. 83-38-04 W. 599.80 feet to an iron pin; thence N. 83-56-40 W. 1,041.23 feet to a nail and cap in the centerline of Hillhouse Drive; thence along the centerline of Hillhouse Drive the following courses and distances: N. 28-18-46 E. 75.61 feet, N. 34-17-33 E. 91.57 feet, N. 37-41-00 E. 92.69 feet, N. 44-13-44 E. 83.63 feet, N. 52-02-26 E. 88.80 feet, N. 54-25-22 E. 179.34 feet, N. 51-56-54 E. 162.73 feet, N. 46-29-52 E. 154.11 feet, N. 34-50-39 E. 164.18 feet, N. 29-30-48 E. 154.43 feet, N. 31-35-55 E. 108.47 feet, N. 33-12-25 E. 331.23 feet, N. 30-04-08 E. 188.43 feet, N. 28-56-06 E. 127.75 feet, N. 30-33-49 E. 186.35 feet, N. 31-28-49 E. 417.78 feet, N. 30-28-52 E. 167.62 feet, and N. 31-24-06 E. 97.56 feet; thence S. 73-36-47 E. 497.35 feet to an iron pin; thence S. 69-05-34 E. 989.56 feet to an iron pin; thence S. 24-52-32 W. 1,337.09 feet to an iron pin; thence S. 24-53-24 W. 906.43 feet to an iron pin, the Point of Beginning.

The above described property is a portion of the property conveyed to Dorothy Masters, now known as Dorothy M. Sullivan by deed of Marian M. Campbell Administratrix CTA of the Estate of Marshall K. Masters, deceased recorded in the Office of the Register of Deeds for Anderson County in Deed Book 15-B, page 143 on March 21, 1967. Also, Book 3581

Page 206, recorded December 2, 1999

Tax Map No. 99-00-05-001-000

EXHIBIT A
(Tract 8)

All that certain piece, parcel or tract of land situate, lying and being on the northern side of Lee Dobbins Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by lands of Hearn, et al., east by a branch, lands of Scarborough and lands of the Zoe O. McGill Estate, south by Lee Dobbins Road and West Marshall Road and lands of Hearn, et al.; said land being designated as Tract 8 containing 115.98 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at an iron pin in or near the centerline of Lee Dobbins Road at the corner of Tract 6, and running thence N. 36-09-35 E. 1,143.92 feet to an iron pin; thence N. 19-55-02 W. 1,085.74 feet to an iron pin; thence with the centerline of a branch the traverse line of which is N. 14-41-38 W. 368.82 feet to an iron pin; thence continuing with the centerline of said branch the traverse lines of which are N. 51-36-19 W. 146.20 feet, N. 04-30-41 E. 191.50 feet, N. 28-03-19 W. 155.10 feet, N. 06-20-19 W. 286.40 feet and N. 80-49-59 E. 32.19 feet; thence N. 14-15-38 E. 267.00 feet to a nail and cap; thence S. 48-47-17 W. 2,913.59 feet to an iron pin; thence N. 03-43-58 W. 309.99 feet to an iron pin; thence N. 38-59-28 W. 213.00 feet to an iron pin; thence S. 39-59-59 W. 266.32 feet to an iron pin; thence N. 87-44-32 W. 110.12 feet to a nail and cap in the centerline of Marshall Road; thence along the centerline of Marshall Road S. 01-23-42 W. 157.73 feet to a nail and cap in or near the intersection of said road with Lee Dobbins Road; thence along the centerline of Lee Dobbins Road the following courses and distances: S. 29-16-05 E. 356.73 feet, S. 18-53-20 E. 142.11 feet, S. 61-03-03 E. 816.39 feet, S. 61-18-26 E. 314.23 feet, S. 69-34-15 E. 1,260.79 feet, and S. 69-51-08 E. 99.90 feet to an iron pin, the Point of Beginning.

The above described property was owned by James E. Pruitt, Sr. who died intestate on December 11, 1978, leaving his wife, Reba Wells Pruitt and sons, James E. Pruitt, Jr. and Albert Wesley Pruitt as will by reference to the records on file in the Anderson County Probate Court in File No. 30120. Said property was conveyed to James E. Pruitt, Jr. and Albert Wesley Pruitt by deed of Reba B. Wells Pruitt recorded in the Office of the Register of Deeds for Anderson County in Deed Book 19-F, page 251 on November 8, 1979. Also, Book 3581 Page 209, recorded December 2, 1999.

Tax Map No. 98-00-05-002-000

EXHIBIT A
(Tract 9)

All that certain piece, parcel or tract of land situate, lying and being in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by lands of Hearn, et al., east by lands of Miler (Trustee), south by lands of the Zoe O. McGill Estate, and west by lands of Pruitt; said land being designated as Tract 9 containing 102.08 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at an iron pin at the northeastern corner of Tract 6 in the line of lands now or formerly of Jennie Lou Miler (Trustee), and running thence N. 06-20-11 E. 2,611.81 feet to an iron pin; thence N. 83-02-51 W. 563.85 feet to an iron pin; thence N. 60-26-20 W. 1,093.66 feet to an iron pin; thence S. 52-58-41 W. 1,038.80 feet to an iron pin; thence along the centerline of a branch the traverse line of which is S. 14-41-38 E. 368.82 feet to an iron pin; thence S. 19-55-02 E. 1,085.74 feet to an iron pin; thence N. 36-09-35 E. 28.50 feet to an iron pin; thence S. 52-09-42 E. 507.00 feet to an iron pin; thence S. 52-04-51 E. 1,485.05 feet to an iron pin, the Point of Beginning.

The above described property was conveyed to Joe P. Scarborough and Pearl C. Scarborough by deed of Lucille H. Stevenson recorded in the Office of the Register of Deeds for Anderson County in Deed Book 1852, page 143 on April 12, 1994. *Also, Book 3581*

Page 212, recorded December 2, 1999.

Tax Map No. 98-00-05-003-000

EXHIBIT A
(Tract 10)

All that certain piece, parcel or tract of land situate, lying and being on the eastern side of Marshall Road in the Township of Varennes, County of Anderson, State of South Carolina, bounded now or formerly as follows: north by a branch and lands of Newton, Dorsey and Willimon, east by lands of Miler (Trustee), Pruitt and Scarborough, and west by Marshall Road being designated as Tract 10, containing 157.54 acres, more or less, and being more fully described by metes and bounds on plat of survey entitled "ALTA/ACSM Land Title Survey for Anderson County Development Partnership" prepared by Farmer & Simpson Engineers, Inc. dated June 17, 1999, last revised October 8, 1999, and recorded in the Office of the Register of Deeds for Anderson County in Plat Slide No. 1077, pages 1 and 2, which plat is incorporated herein by reference and made a part of this description. Said land is described by metes and bounds according to said plat as follows:

Beginning at a nail and cap in the centerline of Marshall Road at the northwestern corner of Tract 8, and running thence with the centerline of Marshall Road the following courses and distances: N. 01-24-32 E. 1,005.69 feet, N. 04-26-22 E. 262.79 feet and N. 12-46-36 E. 342.72 feet; thence N. 72-36-24 W. 22.60 feet to an iron pin on or near the western side of Marshall Road; thence through and along Marshall Road N. 27-55-20 E. 1,171.74 feet to an iron pin; thence S. 79-39-07 E. 1,362.56 feet to an iron pin; thence S. 17-10-27 E. 303.24 feet to an iron pin; thence S. 18-24-37 W. 238.08 feet to an iron pin; thence S. 65-49-36 E. 197.96 feet to an iron pin; thence N. 79-33-02 E. 145.09 feet to an iron pin; thence S. 66-37-33 E. 117.77 feet to an iron pin; thence N. 88-50-43 E. 141.16 feet to an iron pin; thence S. 89-24-44 E. 164.88 feet to an iron pin; thence N. 68-21-53 E. 198.21 feet to an iron pin; thence N. 89-27-30 E. 109.28 feet to an iron pin; thence N. 73-57-22 E. 353.95 feet to an iron pin; thence S. 83-34-04 E. 336.23 feet to an iron pin; thence S. 68-30-28 E. 1,293.64 feet to an iron pin; thence S. 68-31-01 E. 390.36 feet to an iron pin; thence N. 25-46-28 E. 237.56 feet to an iron pin; thence S. 86-05-28 E. 376.06 feet to an iron pin; thence S. 33-11-57 W. 276.71 feet to an iron pin; thence S. 31-07-43 E. 794.90 feet to an iron pin; thence N. 83-06-42 W. 986.04 feet to an iron pin; thence N. 83-02-51 W. 563.85 feet to an iron pin; thence N. 60-26-20 W. 1,093.66 feet to an iron pin; thence S. 52-58-41 W. 1,038.80 feet to an iron pin; thence along the centerline of a branch the traverse lines of which are N. 51-36-19 W. 146.20 feet, N. 04-30-41 E. 191.50 feet, N. 28-03-19 W. 155.10 feet, N. 06-20-19 W. 286.40 feet, N. 80-49-59 E. 32.19 feet, and N. 14-15-38 E. 267.00 feet to an iron pin; thence S. 48-47-17 W. 2,913.59 feet to an iron pin; thence N. 03-43-58 E. 309.99 feet to an iron pin; thence N. 38-59-28 W. 213.00 feet to an iron pin; thence S. 39-59-59 W. 266.32 feet to an iron pin; thence N. 87-44-32 W. 110.12 feet to a nail and cap, the Point of Beginning.

The above described property is the same property conveyed to Mary Jane Hearn Diseker, Weldon R. Diseker, Henry Branham Hearn, IV, Nancy L. Hearn, Gary Parker Hearn and Mary Elizabeth Roberts Hearn by deeds of Henry B. Hearn, III recorded in the Office of the Register of Deeds for Anderson County in Deed Book 3202, page 40 and Deed Book 3235, page 42 on December 23, 1998, and January 25, 1999, respectively. Also, Book 3596 Tax Map No. 98-00-05-01-000 Page 25, recorded December 17, 1999.

STATE OF SOUTH CAROLINA

AFFIDAVIT FOR EXEMPT TRANSFERS

COUNTY OF ANDERSON

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

1. I have read the information on this affidavit and I understand such information.
2. The property being transferred are various parcels, each located in Anderson County, and more definitively described as:
 - (a) property recorded at TM No. Pt of 98-00-02-011
 - (b) property recorded at TM No. Pt of 98-00-07-15
 - (c) property recorded at TM No. Pt. of 98-00-07-016
 - (d) property recorded at TM No. 98-00-05-005-000
 - (e) property recorded at TM No. 98-00-05-006-000
 - (f) property recorded at TM No. 98-00-05-007-000
 - (g) property recorded at TM No. 99-00-01-001-000
 - (h) property recorded at TM No. 99-00-01-001-000
 - (i) property recorded at TM No. 99-00-01-001-000
 - (j) property recorded at TM No. 99-00-01-002-000
 - (k) property recorded at TM No. 99-00-05-022-000
 - (l) property recorded at TM Nos. 98-00-06-001-000 and 98-00-06-002-000
 - (m) property recorded at TM No. 98-00-05-004-000
 - (n) property recorded at TM No. 99-00-05-001-000
 - (o) property recorded at TM No. 98-00-05-002-000
 - (p) property recorded at TM No. 98-00-05-003-000
 - (q) property recorded at TM No. 98-00-05-01-000

3. The deed is exempt from the deed recording fee because (Information Section of Affidavit):

#2

If exempt under exemption #14 as described in the Information section of this affidavit, did the agent and principal relationship exist at the time of the original sale and was the purpose of this relationship to purchase the realty? Check Yes ☐ or No ☐

4. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: the Attorney for the Grantor.

5. I understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon, conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Michelin North America, Inc.

By: Laurin M. McDonald
Laurin M. McDonald, Esq.
Responsible Person Connected with the Transaction

SWORN to before me this
21st day of January, 2010
Lee B. Owens (SEAL)
Notary Public for South Carolina
My commission expires: 4-30-2017

100001317 1/22/2010 10:51:28 AM
FILED, RECORDED, INDEXED
Bk: 09486 Pg: 00181 Pages:027
Rec Fee: St Fee: EXEMPT
Co Fee: EXEMPT
REGISTER OF DEEDS, ANDERSON CO, SC
Shirley McElhannon

THIS DEED MEETS THE STATUTORY
REQUIREMENTS NECESSARY FOR RECORDING,
BUT MAY NOT BE SUFFICIENT TO PROPERLY
TRANSFER TITLE OR COUNTY TAX RECORDS.
ALL RIGHTS, RESPONSIBILITIES AND
OBLIGATIONS ULTIMATELY REMAIN WITH
THE GRANTOR.

SC FILOT 2009
Real Property
AND1 Anderson

100003236 2/19/2010 Bk: 09517 Pg: 00097

FILOT Number

307436
305727
305728
305732
305733
305734
305735

FILOT Number

307377

SC FILOT 2010
Real Property
AND1 Anderson

110001904 2/01/2011 Bk: 09913 Pg: 00179

FILOT Number
315079

Anderson 2010
1 of 4

SC FILOT 2010
Real Property
STA1 Starr

110001904 2/01/2011 Bk: 09913 Pg: 00181

314539

STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2020-028

COUNTY OF ANDERSON

)

AN ORDINANCE

AN ORDINANCE AUTHORIZING (1) THE EXECUTION AND DELIVERY OF AN INFRASTRUCTURE (SPECIAL SOURCE REVENUE) CREDIT AGREEMENT BY AND BETWEEN ANDERSON COUNTY, SOUTH CAROLINA (THE "COUNTY") AND MICHELIN NORTH AMERICA, INC. (FKA MICHELIN TIRE CORPORATION) (THE "COMPANY") TO PROVIDE FOR INFRASTRUCTURE CREDITS WITH RESPECT TO CERTAIN PROPERTY LOCATED IN THE COUNTY; (2) THE BENEFITS OF A MULTI-COUNTY INDUSTRIAL OR BUSINESS PARK DESIGNATION TO BE MADE AVAILABLE TO THE COMPANY AND SUCH PROPERTY; AND (3) OTHER MATTERS RELATING THERETO.

Be it ordained by the Council of Anderson County, South Carolina:

Section 1. Findings.

The Anderson County Council finds that:

(a) Anderson County (the "County") is authorized and empowered to establish, in conjunction with one or more other counties, a joint county industrial or business park (each a "Park") pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina, and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code, as amended (the "Act") to further the investment of capital and/or the creation of jobs in the County, and to facilitate the grant of infrastructure credits;

(b) the County is authorized by Sections 4-1-175 and 4-29-68 of the Code, as amended, to provide infrastructure credits for the purpose of defraying the cost of designing, acquiring, constructing, improving, operating or expanding the infrastructure serving the County and for improved and unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements");

(c) Michelin North America, Inc. is a corporation organized and existing under the laws of the State of New York (the "Company") and is operating through itself and/or one or more existing or to be formed affiliated entities, certain real and personal property, one or more existing buildings, and other existing real property improvements located in the City and the County, including, but not limited to, land, real estate improvements and personal property more fully described in **EXHIBIT A** attached hereto and made a part hereof (the "Original Project"); and

(d) in accordance with Article VIII, Section 13(D) of the South Carolina Constitution and the Act, real and personal property having a situs in a Park, is exempt from all *ad valorem* taxation, but, the owners or lessees of such real and personal property are obligated to make, or cause to be made, payments in lieu of taxes to the county in which such property is located in the total amount equivalent to the *ad valorem* property taxes or other fee in lieu of tax payments that would have been due and payable with respect to

such real and personal property but for the location of such real and personal property within such Park and such exemption (each, a “Anderson Fee Payment”);

(e) pursuant to Title 4, Chapter 29 of the Code of Laws of South Carolina 1976, as amended, the County and the Michelin Tire Corporation entered into that certain Lease Agreement dated as of December 1, 1988, and recorded January 5, 1989 in the Office of the Clerk of Court for the County in Book 00777, at page 00001 (as amended, modified or supplemented through the date hereof, the “1988 Lease”), wherein the Company agreed to make, and the County agreed to accept, certain fee in lieu of tax (“FILOT”) payments with respect to certain manufacturing facilities located within the County (the “Original Project”, with such Original Project and related FILOT payments being the “Original Project FILOT”);

(f) Michelin Tire Corporation changed its name to Michelin North America, Inc. on February 3, 1995;

(g) the 1988 Lease specified that Michelin Original Project Property placed in service from 1988 through 1993 under the 1988 Lease was eligible for inclusion in the Original Project FILOT and that such property was included therein for a period of twenty (20) years;

(h) the South Carolina General Assembly passed 1993 Act No. 123 to provide, with regard to Title 4, Chapter 29, that “investors having a lease agreement which was entered into before the effective date of this act meeting the eighty-five million dollar minimum level of investment required under Section 4-29-67(C) within five years from the date the lease agreement was signed shall have seven years from the date the lease agreement was signed to complete the investment, unless a longer period is otherwise stipulated in the lease agreement”;

(i) the Company met the eighty-five million dollar minimum level of investment required under section 4-29-67(C) within five years from the date the lease agreement was signed, thereby extending the end of the investment period from December 31, 1993 to December 31, 1995 (the initial five-year period ending December 31, 1993, and the two-year extension under 1993 Act No. 123 referred to in the aggregate as the “Original Project Investment Period”, which for clarification includes the periods ending December 31, 1988 through December 31, 1995);

(j) the parties amended the 1988 Lease on December 28, 2007 providing that the initial FILOT period of twenty (20) years would be extended for an additional ten (10) years after the initial twenty (20) year period, for a total FILOT period of thirty (30) years;

(k) in accordance with the 1988 Lease, the annual increment of investment in Michelin Original Project Property placed in service in 1988 during the Original Project Investment Period becomes ineligible for the Original Project FILOT beginning after 2018 for tax year 2019, and each subsequent annual increment of investment in Michelin Original Project Property placed in service during the Original Project Investment Period thereafter becomes ineligible for the Original Project FILOT on an annual rolling basis, with the final such annual increment of investment (*i.e.*, such investment placed in service in 1995) to become ineligible for the Original Project FILOT beginning after 2025 for tax year 2026 (collectively, the “Non-FILOT Michelin Original Project Property”);

(l) pursuant to the Original Project FILOT, and in conjunction with the 1988 Lease, the Company conveyed title in the Michelin Original Project Property to the County;

(m) pursuant to Section 5.2 of the 1988 Lease, the Company has exercised or plans to exercise its option to repurchase portions of the Original Project as they become ineligible for the Original Project FILOT, as the case may be;

(n) pursuant to the provisions of Article VIII, Section 13(D) of the South Carolina Constitution and the Act, the County and Greenville County, South Carolina ("Greenville County") have jointly developed a Park (the "Anderson-Greenville Park") by entering into that certain Agreement for Development of Joint County Industrial and Business Park dated as of October 6, 1998, as may be amended, modified, or supplemented from time to time (the "Anderson-Greenville Park Agreement");

(o) it is beneficial to the County, and the County (1) has provided for inclusion of all Non-FILOT Michelin Original Project Property within the boundaries of the Anderson-Greenville Park, if such property is not already so included, (2) will subsequently undertake all such steps as may be reasonably required to include Michelin Original Project Property within the boundaries of the Anderson-Greenville Park as such property becomes ineligible for the Original Project FILOT, and (3) has determined to maintain the Non-FILOT Michelin Original Project Property within the boundaries of the Anderson-Greenville Park, or a replacement or successor Park, for a period of time, and on terms, sufficient to facilitate the provision to, and receipt by, the Company of infrastructure (special source revenue) credits set forth in greater detail herein;

(p) the County, as further inducement for acquisition, and continued operation in the County, and in accordance with the Act, as set forth herein, has determined that the County shall provide, and the Company shall be entitled to receive, infrastructure (special source revenue) credits against each Anderson Fee Payment due from the Company with respect to Non-FILOT Michelin Original Project Property (the "Infrastructure Credits"), all as set forth in greater detail herein and in an infrastructure credit agreement by and between the County and the Company with respect to the Non-FILOT Michelin Original Project Property (the "Infrastructure Credit Agreement"), the form of which Infrastructure Credit Agreement is presented to this meeting, and which is to be dated as of _____, 2020 or such other date as the parties may agree, and in which the County and the Company have agreed to the specific terms and conditions of such arrangement; and

(q) it appears that the Infrastructure Credit Agreement which is attached to this ordinance as **EXHIBIT B**, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended;

Section 2. **Statutory Findings.**

Council makes the following additional findings:

(a) The County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(b) The continued operation of the Original Project and future investment by the Company, and the payments in lieu of taxes set forth herein are beneficial to the County.

(c) The Original Project benefits the general public welfare of the County by providing services, employment, tax revenue, and other public benefits not otherwise adequately provided locally.

(d) The Infrastructure (special source) Credits gives rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either.

(e) The purposes to be accomplished by the Company, *i.e.*, economic development and addition to the tax base of the County, are proper governmental and public purposes.

(f) The inducement of the continued operation of the Original Project within the County and State is of paramount importance.

(g) The benefits of the continued operation of the Original Project to the public will be greater than the costs to the public.

Section 3. Approval and Execution of Amendment to Anderson-Greenville Park Agreement and Infrastructure Credit Agreement

(a) In order to induce acquisition, location and continued operation of the Original Project in the County and to defray or reimburse the costs of Special Source Improvements, the County shall provide, and the Company shall be entitled to receive for a period of ten (10) consecutive tax years for each annual increment of investment in Michelin Original Project Property placed in service during the Original Project Investment Period as the same becomes ineligible for the Original Project FILOT on an annual rolling basis, commencing with the initial tax year for which an Anderson Fee Payment is due with respect to real and personal property located at the Original Project, infrastructure credits against each Anderson Fee Payment due in such an amount as is required so that the resulting Anderson Fee Payment due equals the amount of such payment if calculated using an assessment ratio of 6% and a fixed millage rate equal to 320.5 mills. The fee calculation must be made so that the property, if taxable, is allowed all applicable property tax exemptions except the exemption allowed under Section 3(g), Article X of the Constitution of this State and the exemptions allowed pursuant to Section 12-37-220(B)(32) and (34) of the Code, all as set forth in greater detail in the Infrastructure Credit Agreement.

(b) In accordance with the Code, the Infrastructure Credits authorized herein shall not exceed the aggregate costs of the Special Source Improvements funded in connection with the Original Project by the Company.

(c) The form, terms, provisions and conditions of the Infrastructure Credit Agreement presented to this meeting and filed with the Clerk to Council, attached hereto as **EXHIBIT B**, are hereby approved, and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Infrastructure Credit Agreement were set out in this Ordinance in its entirety. The Chairman of Council is hereby authorized, empowered, and directed to execute the Infrastructure Credit Agreement in the name and on behalf of the County; the Clerk to Council is hereby authorized, empowered and directed to attest the same; and the Chairman of Council is further authorized, empowered, and directed to deliver the Infrastructure Credit Agreement to the Company. The Infrastructure Credit Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the official or officials of the County executing the same, upon the advice of legal counsel, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Infrastructure Credit Agreement now before this meeting.

(d) In order to allow the provision of the Infrastructure (Special Source) Credits authorized herein, the County shall amend the Anderson-Greenville Park Agreement to include the land set forth in **EXHIBIT A**, and all real property improvements and personal property located therein in the Anderson-Greenville Park (the "Amendment").

(e) The form, terms, provisions and conditions of the Amendment presented to this meeting and filed with the Clerk to Council, attached hereto as **EXHIBIT C**, are hereby approved, and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Amendment were set out in this Ordinance in its entirety. The Chairman of Council is hereby authorized, empowered, and

directed to execute the Amendment in the name and on behalf of the County; and the Clerk to Council is hereby authorized, empowered and directed to attest the same. The Amendment is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the official or officials of the County executing the same, upon the advice of legal counsel, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Amendment now before this meeting.

Section 4. Authority to Act.

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effect the execution and delivery of the Amendment and Infrastructure Credit Agreement, and the performance of all obligations of the County under and pursuant to the Amendment and Infrastructure Credit Agreement.

Section 5. Severability.

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 6. Controlling Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Anderson County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 7. Effective Date.

This ordinance is effective upon third reading.

AND IT IS SO ORDAINED

Dated this ____ day of _____, 2020.

[SEAL]

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

First Reading: _____, 2020
Public Hearing: _____, 2020
Second Reading: _____, 2020
Third Reading: _____, 2020

Exhibit A to Ordinance No. 2020 –

Property Description

Exhibit B to Ordinance No. 2020 -

Infrastructure Credit Agreement

See attached.

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Exhibit C to Ordinance No. 2020 -

Amendment to Anderson-Greenville Park Agreement

INFRASTRUCTURE CREDIT AGREEMENT

by and between

ANDERSON COUNTY, SOUTH CAROLINA,

AND

MICHELIN NORTH AMERICA, INC. (FKA MICHELIN TIRE CORPORATION)

Dated as of December _____, 2020

INFRASTRUCTURE CREDIT AGREEMENT

This INFRASTRUCTURE CREDIT AGREEMENT, dated as of _____, 2020 (as the same may be amended, modified or supplemented from time to time in accordance with the terms hereof, the "Agreement"), is by and between ANDERSON COUNTY, SOUTH CAROLINA, a body politic and corporate, and a political subdivision of the State of South Carolina (the "County"), and MICHELIN NORTH AMERICA, INC., a corporation organized and existing under the laws of the State of New York (the "Company", and together with the County, the "Parties").

WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the "County Council") is authorized by the Code of Laws of South Carolina 1976, as amended (the "Code") and, particularly, Sections 4-1-170, 4-1-175, and 4-29-68 of the Code (collectively, the "Act"), and Article VIII, Section 13(D) of the South Carolina Constitution (i) to provide infrastructure credits (special source revenue credits) to investors for the purpose of defraying certain costs, including, without limitation, the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County or a project and for improved and unimproved real estate and personal property, including, but not limited to, machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise, all to enhance the economic development of the County; and (ii) to create, in conjunction with one or more other counties, a joint county industrial or business park ("Park") in order to facilitate the grant of such infrastructure credits (special source revenue credits) to such investors; and

WHEREAS, the County and Michelin Tire Corporation, pursuant to Title 4, Chapter 29 of the Code of Laws of South Carolina 1976, as amended, entered into that certain Lease Agreement dated as of December 1, 1988, and recorded January 5, 1989 in the Office of the Clerk of Court for the County in Book 00777, at page 00001 (as amended, modified or supplemented through the date hereof, the "1988 Lease"), wherein Michelin agreed to make, and the County agreed to accept, certain fee in lieu of tax ("FILOT") payments with respect to certain manufacturing facilities located within the County (the "Original Project", with such Original Project and related FILOT payments being the "Original Project FILOT"); and

WHEREAS, the 1988 Lease specified that Michelin Original Project Property placed in service from 1988 through 1995 under the 1988 Lease (the "Original Project Investment Period") is eligible for inclusion in the Original Project FILOT and that each annual increment of investment in Michelin Original Project Property made during the Original Project Investment Period is eligible for twenty (20) years of Original Project FILOT benefits; and

WHEREAS, pursuant to an Amendment to Lease Agreement made and entered into by and between the County and Michelin on December 28, 2007, the Parties amended the 1988 Lease to provide that each annual increment of investment in Michelin Original Project Property made during the Original Project Investment Period is eligible for an additional ten (10) years of Original Project FILOT benefits after the twenty (20) year period described above, for a total of thirty (30) years of Original Project FILOT benefits for each annual increment of investment in Michelin Original Project Property made during the Original Project Investment Period; and

WHEREAS, in accordance with the 1988 Lease, the annual increment of investment in Michelin Original Project Property placed in service in 1988 during the Original Project Investment Period shall become ineligible for the Original Project FILOT beginning after 2018 for tax year 2019 and each subsequent annual increment of investment in Michelin Original Project Property placed in service during the Original Project Investment Period shall thereafter become ineligible for the Original Project FILOT

on an annual rolling basis, with the final such annual increment of investment (*i.e.*, such investment placed in service in 1995) to become ineligible for the Original Project FILOT beginning after 2025 for tax year 2026 (collectively, the “Non-FILOT Michelin Original Project Property”); and

WHEREAS, the Michelin Original Project Property includes, and is presently located on, land more fully described on the attached **Exhibit A** attached hereto and made a part hereof (the “Michelin Original Project Land”); and

WHEREAS, Michelin Tire Corporation changed its name to Michelin North America, Inc. on February 3, 1995.

WHEREAS, pursuant to the provisions of Article VIII, Section 13(D) of the State Constitution and the Act, the County and Greenville County, South Carolina (“Greenville County”) have jointly developed a Park (“Anderson-Greenville Park”) by entering into that certain Agreement for Development of Joint Industrial and Business Park dated as of October 6, 1998 (as amended, modified, or supplemented through the date hereof, and as may be amended, modified, or supplemented from time to time, the “Anderson-Greenville Park Agreement”); and

WHEREAS, in accordance with Article VIII, Section 13(D) of the State Constitution and the Act, real property having a *situs* in a Park in the County, including, but not limited to, the Anderson-Greenville Park, is exempt from all *ad valorem* taxation, but, the owners or lessees of such real property are obligated to make, or cause to be made, payments in lieu of taxes to the County in the total amount equivalent to the *ad valorem* taxes or other fee in lieu of tax payments that would have been due and payable with respect to such real property but for the location of such real property within such Park and such exemption (each, an “Anderson Fee Payment”); and

WHEREAS, the County has determined to provide for inclusion of all Non-FILOT Michelin Original Project Property within the boundaries of the Anderson-Greenville Park by amending the Anderson-Greenville Park Agreement, if such property is not already so included, and to maintain the Non-FILOT Michelin Original Project Property within the boundaries of the Anderson-Greenville Park, or a replacement or successor Park, in order to facilitate the provision to, and receipt by, Michelin of the infrastructure credits (special source revenue credits) set forth in greater detail herein; and

WHEREAS, the County, as further inducement for location and continued operation by the Company of the Project in the County, and in accordance with the Park Act, has agreed to provide infrastructure credits (special source revenue credits) against each Anderson Fee Payment (or portion thereof) made by Michelin attributable to each annual increment of investment comprising the Non-FILOT Michelin Original Project Property, for a rolling credit period of ten (10) tax years, amounting to an aggregate credit period of sixteen (16) tax years, commencing with such payment due with respect to Non-FILOT Michelin Original Project Property placed in service during the period beginning with the 1988 tax year and ending with the 1989 tax year for tax year 2020, and terminating after such payment due with respect to Non-FILOT Michelin Original Project Property placed in service in 1995 for tax year 2035, all as set forth in greater detail herein; and

WHEREAS, the County Council has authorized the execution and delivery of this Agreement by Ordinance No. _____ enacted by the County Council on _____, _____ (the “Ordinance”); and

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, the above recitals which are incorporated herein by reference, and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I

DEFINITIONS

The defined terms in this Agreement shall for all purposes of this Agreement have the meanings specified in the recitals above and in this **Article I**, unless the context clearly otherwise requires. Except where the context otherwise requires, words importing the singular number shall include the plural number and *vice versa*.

“Affiliate” shall mean any corporation, limited liability company, partnership or other Person or entity which now or hereafter owns all or part of Michelin, or which now or hereafter is owned in whole or in part by Michelin, or by any partner, shareholder or owner of Michelin, as well as any corporation, limited liability company, partnership or other Person, which now or hereafter bears a relationship to Michelin as described in Section 267(b) of the Internal Revenue Code.

“Anderson Fee Payment” shall have the meaning ascribed thereto in the recitals of this Agreement.

“Anderson Park” shall mean the Anderson-Greenville Park established pursuant to the terms of the Park Agreement, and any Park which hereafter includes the Michelin Original Project Land, the Michelin Original Project Property, the Non-FILOT Michelin Original Project Property, and the real and personal property located on the Michelin Original Project Land, and which is designated by the County as such pursuant to any Park Agreement which replaces or succeeds the Anderson-Greenville Park Agreement.

“Company” shall mean Michelin North America, Inc., a corporation organized and existing under the laws of the State of New York and its successors and assigns.

“Costs of Infrastructure Improvements” means all of the costs of designing, acquiring, constructing, improving, equipping or expanding the Infrastructure Improvements, whether incurred prior to or after the date of this Agreement, and shall be deemed to include, but not be limited to: (1) such costs with regard to the Non-FILOT Michelin Original Project Property; (2) obligations incurred for labor, materials, and other expenses to builders and materialmen in connection with the acquisition, construction, and installation of the Infrastructure Improvements; (3) the cost of construction bonds and of insurance of all kinds that may be required or necessary during the course of construction and installation of the Infrastructure Improvements, which is not paid by the contractor or contractors or otherwise provided for; (4) the expenses for test borings, surveys, test and pilot operations, estimates, plans and specifications and preliminary investigations therefore, and for supervising construction, as well as for the performance of all other duties required by or reasonably necessary in connection with the acquisition, construction, and installation of the Infrastructure Improvements; and (5) all other costs which shall be required under the terms of any contract for, or incurred in connection with, the designing, acquisition, construction, equipping and installation of the Infrastructure Improvements.

“*County*” shall mean Anderson County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina, and its successors and assigns.

“*Michelin*” shall mean Michelin North America, Inc., a corporation organized and existing under the laws of the State of New York and its successors and assigns.

“*Park Agreement*” shall mean the Anderson-Greenville Park Agreement, as approved by the County by Ordinance #98-019, duly adopted on October 6, 1998, as amended, modified or supplemented through the date hereof.

“*Person*” means an individual, a corporation, a partnership, a limited liability company, an association, a joint stock company, a joint venture, a trust, any unincorporated organization, or a government or an agency or a political subdivision thereof.

“*Property Tax Year*” shall mean the annual period ending on December 31 of each year.

“*Infrastructure Credits*” shall mean “special source revenue credits” or “special source revenue bonds” as those terms are used in Title 4, Chapters 1, 12, and 29, and Title 12, Chapter 44 of the South Carolina Code, and the Infrastructure Credits hereby granted by the County, and described in **Section 3.01** hereof.

“*Infrastructure Improvements*” means, whether prior to or after the date of this Agreement, any infrastructure serving the economic development of the County, any improved and unimproved real property, buildings, structural components of buildings, fixtures or other real property improvements and any personal property, including, without limitation, machinery and equipment used in the operation of a manufacturing or commercial enterprise, all in order to enhance the economic development of the County, including, without limitation, the existing Michelin Original Project Property, and the Non-FILOT Michelin Original Project Property, all to the extent permitted by the Park Act.

The words “hereof”, “herein”, “hereunder”, and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND COVENANTS

SECTION 2.01. ~~Representations by the County~~. The County makes the following representations:

(a) The County is a body politic and corporate and a political subdivision of the State of South Carolina. By proper action of the County Council, the County has duly authorized the execution and delivery of this Agreement and any and all actions reasonably necessary and appropriate to consummate the transactions contemplated hereby.

(b) The County is authorized and empowered by the provisions of the Act to enter into, execute, deliver, and carry out its obligations under, this Agreement.

(c) The County has duly approved this Agreement, including, without limitation, the Infrastructure Credits, by adoption of the Ordinance in accordance with the procedural requirements of

the Act and any other applicable state and local law.

(d) The County enters into this Agreement for the purpose of promoting the economic development of the County.

(e) No actions, suits, proceedings, inquiries, or investigations are pending or, to the best of the County's knowledge, threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, any of which could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

SECTION 2.02. Representations by Michelin. Michelin makes the following representations:

(a) Michelin is a corporation duly organized, validly existing, and in good standing, under the laws of the State of New York and authorized to transact business in the State of South Carolina, has power to enter into this Agreement, and by proper corporate action has authorized the Michelin official or officials signing this Agreement to execute and deliver this Agreement. Michelin's fiscal year end is December 31 and Michelin will notify the County of any changes in its fiscal year.

(b) No actions, suits, proceedings, inquiries, or investigations are pending or, to the best knowledge of Michelin, threatened against or affecting Michelin in any court or before any governmental authority or arbitration board or tribunal, any of which could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

(c) The Infrastructure Credits provided by the County in the manner set forth in this Agreement have been instrumental in inducing the continued operation of the Original Project, and additional investments in real and personal property in the County.

SECTION 2.03. Covenants by the County. The County will use its best efforts to include, and thereafter maintain the Michelin Original Project Land, the Michelin Original Project Property, the Non-FILOT Michelin Original Project Property, and all other real and personal property located on the Michelin Original Project Land within the boundaries of the Anderson-Greenville Park or another Anderson Park in order to facilitate the Infrastructure Credits.

ARTICLE III

INFRASTRUCTURE CREDITS

SECTION 3.01. Infrastructure Credits.

(a) To defray or reimburse the Costs of Infrastructure (special source) Improvements, the County agrees to provide Infrastructure Credits against each Anderson Fee Payment (or portion thereof) made by Michelin attributable to each annual increment of investment comprising the Non-FILOT Michelin Original Project Property, for a rolling credit period of ten (10) tax years, amounting to an aggregate credit period of sixteen (16) tax years, commencing with such payment due with respect to Non-FILOT Michelin Original Project Property placed in service during the period beginning with the

1988 tax year and ending with the 1989 tax year for tax year 2020 (*i.e.*, the payment typically due to be paid without penalty on or before January 15, 2021) and terminating immediately following such payment due with respect to Non-FILOT Michelin Original Project Property placed in service in 1995 for tax year 2035 (*i.e.*, the payment typically due to be paid without penalty on or before January 15, 2036), in an amount sufficient so that the resulting net Anderson Fee Payment (or portion thereof) equals the amount of such payment if calculated using (i) an assessment ratio of 6%; (ii) a millage rate equal to 320.5 mills.

(b) The Infrastructure Credits to which Michelin shall receive with respect to each tax year set forth above in **Section 3.01(a)** hereof shall be reflected by the County Auditor or other authorized County official or representative on each bill for fee-in-lieu of tax payment sent to Michelin by the County for each such tax year, by reducing the fee-in-lieu of tax payment otherwise due from each Company for such tax year by the amount of Infrastructure Credits to be provided to such Company for such tax year.

(c) If subsection 3.01(a), or the granting of the Infrastructure Credits under this Agreement, is found to be invalid, illegal or unenforceable by a court or other entity of competent jurisdiction, the County agrees to provide Michelin with an incentive that is valid pursuant to such court or other entity ruling and commensurate to the nature and value of the benefits provided under this Agreement. The responsibility for the preparation of documents or modification of this Agreement in connection with such incentive and the applicable and reasonable costs thereof (including any applicable and reasonable legal fees incurred by the County) shall be borne solely by Michelin.

(d) THIS AGREEMENT AND THE INFRASTRUCTURE CREDITS GRANTED HEREUNDER ARE LIMITED OBLIGATIONS OF THE COUNTY TO BE CLAIMED BY MICHELIN SOLELY FROM THE ANDERSON FEE PAYMENTS RECEIVED BY THE COUNTY FROM MICHELIN, AND DO NOT AND SHALL NOT CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION AND DO NOT AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE COUNTY. THE FULL FAITH, CREDIT, AND TAXING POWER OF THE COUNTY ARE NOT PLEDGED IN CONNECTION WITH THE GRANTING OF THE INFRASTRUCTURE CREDITS HEREUNDER.

(e) No breach by the County of this Agreement shall result in the imposition of any pecuniary liability upon the County other than against the Anderson Fee Payments made by Michelin with respect to Non-FILOT Michelin Original Project Property or any charge upon its general credit or against its taxing power. The liability of the County under this Agreement or for any breach or default by the County of any of the foregoing shall be limited solely and exclusively to the Anderson Fee Payments received from Michelin. The County shall not be required to provide the Infrastructure Credits except with respect to the Anderson Fee Payments received from Michelin.

(f) Except as otherwise provided in this Agreement, Michelin shall be entitled to receive, in addition to the Infrastructure Credits, all other credits, exemptions, or reductions against *ad valorem* taxes or against payments in lieu of taxes due pursuant to the Act allowed by law.

(g) In accordance with the Act, the Infrastructure Credits authorized herein shall not, in the aggregate, exceed the aggregate Costs of Infrastructure Improvements as defined in **Article I**.

ARTICLE IV

TRANSFERS OF PROJECT PROPERTY; ASSIGNMENT

SECTION 4.01. Transfers of Project Property; Assignment of Interest in this Agreement. The County hereby acknowledges that Michelin may from time to time and in accordance with applicable law and the terms of the 1988 Lease, if applicable, sell, transfer, lease, convey, or grant the right to occupy and use the Michelin Original Project Property including, without limitation, the Non-FILOT Michelin Original Project Property, or its respective interest in all or any portion of the Michelin Original Project Property including, without limitation, the Non-FILOT Michelin Original Project Property, in whole or in part, or assign its interests in this Agreement, in whole or in part, to other Persons without the consent of the County; provided, however, that any transfer or assignment by Michelin of all or any of its interest in this Agreement to any Person other than an Affiliate shall require the prior written consent or subsequent ratification of the County, which consent or ratification shall not be unreasonably withheld and provided, further, that Michelin shall provide written notice to the County of any such transfer or assignment by Michelin to an Affiliate. No such sale, lease, conveyance, grant or assignment shall relieve the County from the County's obligation to provide Infrastructure Credits to Michelin, or any assignee of the same, under this Agreement as long as such assignee is qualified to receive the Infrastructure Credits under the Act.

ARTICLE V

DEFAULTS AND REMEDIES

SECTION 5.01. Events of Default. If any party shall fail duly and punctually to perform any material covenant, condition, agreement or provision contained in this Agreement on the part of such party to be performed, which, except as otherwise provided in this Agreement, failure shall continue for a period of sixty (60) days after written notice by another party specifying the failure and requesting that it be remedied is given to the defaulting party by first-class mail, then such party shall be in default under this Agreement (an "Event of Default"); provided, however, that if any such failure is not, with due diligence, susceptible of cure within such 60-day period, then such defaulting party shall have an additional period of time not to exceed thirty (30) days from the date of such written notice by the other party to remedy such failure, unless such parties agree in a writing signed by all parties to an extension of such time prior to its expiration.

SECTION 5.02. Legal Proceedings. Upon the happening of any Event of Default by a party, then and in every such case each other party in its respective discretion may:

- (1) by mandamus, or other suit, action, or proceeding at law or in equity, enforce all of its rights and require the defaulting party to carry out any agreements with or for its benefit and to perform its duties under the Act and this Agreement;
- (2) bring suit upon this Agreement;
- (3) exercise any or all rights and remedies provided by the applicable laws of the State; or
- (4) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of its rights.

SECTION 5.03. Remedies Not Exclusive. No remedy in this Agreement conferred upon or reserved to Michelin or the County is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

SECTION 5.04. Nonwaiver. No delay or omission of Michelin or the County to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or an acquiescence therein; and every power and remedy given by this **Article V** to Michelin or the County may be exercised from time to time and as often as may be deemed expedient.

ARTICLE VI

MISCELLANEOUS

SECTION 6.01. Termination This Agreement shall automatically terminate on the date upon which all Infrastructure Credits provided for in **Section 3.01** hereof have been provided to, and received by Michelin. Additionally the County and Michelin may jointly agree to terminate this Agreement at any time, and Michelin may unilaterally terminate this Agreement at any time with respect to all, or any portion of, its respective portion of the Project.

SECTION 6.02. Binding Effect; Successors and Assigns. This Agreement shall be binding, in accordance with its terms, and to the extent permitted by law, upon and inure to the benefit of Michelin, the County, and their respective successors and assigns. All covenants, stipulations, promises, and agreements contained in this Agreement, by or on behalf of, or for the benefit of, the County, shall bind or inure to the benefit of the successors of the County from time to time and any officer, board, commission, agency, or instrumentality to whom or to which any power or duty of the County shall be transferred.

SECTION 6.03. Provisions of Agreement for Sole Benefit of Michelin and the County. Except as otherwise specifically provided in this Agreement, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any Person other than the Parties any right, remedy, or claim under or by reason of this Agreement, this Agreement being intended to be, except as otherwise specifically provided in this Agreement, for the sole and exclusive benefit of the Parties.

SECTION 6.04. Severability. In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal, invalid or unenforceable, the illegality, invalidity or unenforceability shall not affect any other provision of this Agreement, and this Agreement shall be construed and enforced as if the illegal, invalid or unenforceable provisions had not been contained herein so as to most closely effectuate the legal, valid and enforceable intent hereof and so as to afford Michelin with the maximum benefits to be derived herefrom.

SECTION 6.05. No Liability for Personnel of the County or Michelin. No covenant or agreement contained in this Agreement is deemed to be a covenant or agreement of any elected official, member, agent, or employee of the County or their respective governing body, or Michelin or any of its respective officers, elected officials, employees, or agents in an individual capacity, and neither the members of the governing body of the County, nor any official of the County or Michelin executing this Agreement is

liable personally on the Infrastructure Credits or this Agreement, or subject to any personal liability or accountability by reason of the issuance thereof.

SECTION 6.06. Notices. All notices, certificates, requests, or other communications under this Agreement are sufficiently given and are deemed given, unless otherwise required by this Agreement, when (i) delivered or (ii) sent by United States first-class registered mail, postage prepaid, addressed as follows:

(a) As to the County:

Anderson County
Attn.: County Administrator
101 South Main Street
Anderson, South Carolina 29624

with a copy to (which shall not constitute notice for purposes of this Agreement):

Leon Harmon, Esq.
Anderson County Attorney
Post Office Box 8002
Anderson, South Carolina 29622

(b) As to Michelin:

Michelin North America, Inc.
Attn: Brock Christ
1 Parkway S.
Greenville, South Carolina 29615

with a copy to (which shall not constitute notice for purposes of this Agreement) to:

Burnet R. Maybank, III, Esq.
Andrew W. Saleeby, Esq.
Nexsen Pruet, LLC
P.O. Drawer 2426
Columbia, South Carolina 29202

The County and Michelin may each designate, by notice given under this **Section 6.06**, any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

SECTION 6.07. Administrative Fees. Michelin shall reimburse, or cause reimbursement of, the County for reasonable expenses, including, reasonable attorneys' fees, related to review and approval of this Agreement, and any other documents related to this Agreement in an amount not to exceed Five Thousand Dollars and No/100s (\$5,000.00).

SECTION 6.08. Merger. This Agreement constitutes the entire agreement among the parties to it with respect to the matters contemplated in it, and it is understood and agreed that all undertakings,

negotiations, representations, promises, inducements and agreements heretofore had among these parties are merged herein.

SECTION 6.09. Agreement to Sign Other Documents and to Take Further Action. The County agrees that it will from time to time execute and deliver such further instruments, in form and substance reasonably acceptable to the County, and take such further action as may be reasonable and as may be requested by Michelin or as may be required to carry out the purpose of this Agreement. Michelin shall reimburse, or cause reimbursement of, the County for reasonable attorneys' fees, related to review and negotiation of such further instruments. Such instruments or actions shall never create or constitute an indebtedness of the County within the meaning of any state constitutional provision (other than the provisions of Article X, Section 14(10) of the South Carolina Constitution) or statutory limitation and shall never constitute or give rise to a pecuniary liability of the County, other than against the Anderson Fee Payments made by Michelin with respect to Non-FILOT Michelin Original Project Property, or a charge against its general credit or taxing power or pledge the credit or taxing power of the State of South Carolina, or any other political subdivision of the State of South Carolina.

SECTION 6.10. Construction of Agreement. The parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party does not apply in the interpretation of this Agreement or any amendments or exhibits to this Agreement.

SECTION 6.11. Applicable Law. The laws of the State of South Carolina govern the construction of this Agreement.

SECTION 6.12. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 6.13. Amendments. This Agreement may be amended only by written agreement of the parties hereto.

SECTION 6.14. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement but the waiver is valid only if it is in a writing signed by the waiving party.

SECTION 6.15. Further Proceedings. It is intended by the parties that any action to be taken hereinafter by the County pursuant to the express provisions of this Agreement may be undertaken by the County without necessity of further proceedings. To the extent that additional proceedings are required by law, however, the County agrees, to the extent permitted by law, to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.

SIGNATURES FOLLOW ON NEXT PAGE.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

IN WITNESS WHEREOF, Anderson County, South Carolina has caused this Agreement to be executed by its appropriate officials, and its corporate seal to be hereunto affixed and attested and Michelin North America, Inc. has caused this Agreement to be executed by its authorized officer, effective the day and year first above written.

FOR ANDERSON COUNTY:

By: _____
Tommy Dunn, Chairman,
Anderson County Council

[SEAL]

ATTEST:

By: _____
Lacey Croegaert
Anderson County Clerk to Council

MICHELIN NORTH AMERICA, INC.

By: _____
Name: _____
Its: _____

EXHIBIT A
to the Infrastructure Credit Agreement

Michelin Original Project Land

STATE OF SOUTH CAROLINA)	
)	SIXTEENTH AMENDMENT OF
COUNTY OF ANDERSON)	AGREEMENT FOR DEVELOPMENT
COUNTY OF GREENVILLE)	FOR JOINT INDUSTRIAL PARK

THIS AGREEMENT for the sixteenth amendment (the "Sixteenth Amended Agreement") of an agreement for the development of a joint county industrial/business park located both within Greenville County, South Carolina and Anderson County, South Carolina, dated October 6, 1998, by and between the County of Greenville and the County of Anderson, both political subdivisions of the State of South Carolina (the "Agreement"), amended on November 16, 1999 by and between the parties hereto (the "First Amended Agreement") and amended on February 6, 2001 by and between the parties hereto (the "Second Amended Agreement") and amended on November 20, 2001 by and between the parties hereto (the "Third Amended Agreement") and amended on December 3, 2002 by and between the parties hereto (the "Fourth Amended Agreement") and amended on July 15, 2003 by and between the parties hereto (the "Fifth Amended Agreement") and amended on November 18, 2003 by and between the parties hereto (the "Sixth Amended Agreement") and amended on April 6, 2004 by and between the parties hereto (the "Seventh Amended Agreement") and amended on November 16, 2004 by and between the parties hereto (the "Eighth Amended Agreement") and amended on November 15, 2005 by and between the parties hereto (the "Ninth Amended Agreement") and amended on January 3, 2006 (the "Tenth Amended Agreement") and amended on November 21, 2006 (the "Eleventh Amended Agreement") and amended on March 20, 2007 by and between the parties hereto (the "Twelfth Amended Agreement") and amended on June 3, 2008 by and between the parties hereto (the "Thirteenth Amended Agreement") and amended on November 18, 2008 by and between the parties hereto (the "Fourteenth Amended Agreement") and amended on May 14, 2010 by and between the parties hereto (the "Fifteenth Amended Agreement") is made and entered into as of this _____ day of _____, 2020 by and between the parties hereto.

RECITALS

WHEREAS, pursuant to the Agreement, Greenville County, South Carolina ("Greenville County"), and Anderson County, South Carolina ("Anderson County") in order to promote economic development and thus provide additional employment opportunities within both of said counties, there has been established in Greenville County and Anderson County a Joint County Industrial and Business Park (the "Park"); and

WHEREAS, as a consequence of the establishment of the Park, property therein is exempt from ad valorem taxation, but the owners or lessees of such property are required to pay annual fees in an amount equal to that amount for which such owner or lessee would be liable except for such exemption; and

WHEREAS, pursuant to the Agreement, Greenville County and Anderson County have agreed to accept responsibility for the costs of infrastructure, maintenance, management, promotional costs, and other appropriate costs associated with the establishment and operation of the Park; and

WHEREAS, Greenville County and Anderson County desire to amend the Agreement and the First Amended Agreement, the Second Amended Agreement, the Third Amended Agreement, the Fourth Amended Agreement, the Fifth Amended Agreement, the Sixth Amended Agreement, the Seventh Amended Agreement, the Eighth Amended Agreement, the Ninth Amended Agreement, the Tenth Amended Agreement, the Eleventh Amended Agreement, the Twelfth Amended Agreement, the Thirteenth

Amended Agreement, the Fourteenth Amended Agreement, the Fifteenth Amended Agreement (the “Prior Amendments”) and by this Sixteenth Amended Agreement as more specifically provided below;

NOW, THEREFORE, in consideration of the mutual agreement, representations and benefits contained in this Agreement and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. **Binding Agreement.** This Sixteenth Amended Agreement serves as a written instrument amending the entire Agreement between the parties and shall be binding on Greenville County and Anderson County, their successors and assigns.

2. **Authorization.** Article VIII, Section 13(d), of the Constitution of South Carolina (the “Constitution”) provides that counties may jointly develop an industrial or business park with other counties within the geographical boundaries of one or more of the member counties, provided that certain conditions specified therein are met and further provided that the General Assembly of the State of South Carolina provides by law a means by which the value of property in such park will be considered for purposes of bonded indebtedness of political subdivisions and school districts and for purposes of computing the index of taxpaying ability for school districts. Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (“Section 4-1-170”), satisfies the conditions imposed by Article VIII, Section 13(d), of the Constitution and provides the statutory vehicle whereby a joint county industrial park may be created.

3. **Sixteenth Amendment to the Agreement.** As of the date of this Sixteenth Amended Agreement, the Agreement as amended by Prior Amendments is hereby further amended, in accordance with Section 3(B) of the Agreement, so as to expand the Park premises in Anderson County by the addition of property further described in Exhibit B-1, which shall amend the Exhibit B to the Agreement which was in effect prior to execution of this Sixteenth Amended Agreement.

4. **Severability.** In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Sixteenth Amended Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Sixteenth Amended Agreement.

5. **Termination.** All other terms and conditions of the Agreement as amended by the Prior Amendments shall remain in full force and effect.

[Execution Pages to Follow]

WITNESS our hands and seals as of this _____ day of _____, 2020.

ANDERSON COUNTY, SOUTH CAROLINA

Tommy Dunn, Chairman
Anderson County Council

ATTEST:

Rusty Burns
Anderson County Administrator

Lacey Croegaert
Anderson County Clerk to Council

GREENVILLE COUNTY, SOUTH CAROLINA

Butch Kirven, Chairman, County Council

ATTEST:

Joseph Kernell, County Administrator
Greenville County, South Carolina

Regina McCaskill, Clerk to Council
Greenville County, South Carolina

Exhibit A
Land Description
Greenville County

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Exhibit B-1
Land Description
Anderson County

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ORDINANCE NO. 2020-029

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED FEE IN LIEU OF TAX AGREEMENT BY AND BETWEEN ANDERSON COUNTY, SOUTH CAROLINA AND COI ANDERSON INDUSTRIAL, LLC WITH RESPECT TO CERTAIN ECONOMIC DEVELOPMENT PROPERTY IN THE COUNTY, WHEREBY SUCH PROPERTY WILL BE SUBJECT TO CERTAIN PAYMENTS IN LIEU OF TAXES, INCLUDING THE PROVISION OF CERTAIN SPECIAL SOURCE CREDITS; AND OTHER MATTERS RELATED THERETO.

WHEREAS, ANDERSON COUNTY, SOUTH CAROLINA (the “*County*”), acting by and through its County Council (the “*County Council*”), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the “*FILOT Act*”), Title 4, Chapter 1 (the “*Multi-County Park Act*”), and Title 4, Chapter 29, of the Code of Laws of South Carolina 1976, as amended, to enter into agreements with industry whereby the industry would pay fees-in-lieu-of taxes with respect to qualified industrial projects; to provide infrastructure credits against payment in lieu of taxes for reimbursement in respect of investment in certain infrastructure enhancing the economic development of the County; through all such powers the industrial development of the State of South Carolina (the “*State*”) will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain in the State and thus utilize and employ the manpower, products and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, pursuant to the FILOT Act, and in order to induce investment in the County, the County Council adopted on March 5, 2019 an inducement resolution (the “*Inducement Resolution*”) with respect to certain proposed investment by COI Anderson Industrial, LLC, a South Carolina limited liability company (the “*Company*”) (which was known to the County at the time as “*Project 20190114*”), with respect to the acquisition, construction, and installation of land, buildings, improvements, fixtures, machinery, equipment, furnishings and other real and/or tangible personal property to constitute a new distribution/manufacturing facility in the County (collectively, the “*Project*”); and

WHEREAS, the Company has represented that the Project will involve an investment of approximately \$13,000,000 in the County within the Investment Period (as such term is defined in the hereinafter defined Fee Agreement; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Company that the Project would be a “project” and “economic development property” as such terms are defined in the FILOT Act, and that the Project would serve the purposes of the FILOT Act; and

WHEREAS, pursuant to the authority of Section 4-1-170 of the Multi-County Park Act and Article VIII, Section 13 of the South Carolina Constitution, the County intends to cause the Project, to the extent not already therein located, to be placed in a joint county industrial and business park such that the Project will receive the benefits of the Multi-County Park Act; and

WHEREAS, pursuant to the Inducement Resolution, the County agreed to, among other things, (a) enter into a fee in lieu of tax and special source credit agreement with the Company, whereby the County would provide therein for a payment of a fee-in-lieu-of taxes by the Company with respect to the Project, and (b) provide for certain infrastructure credits to be claimed by the Company against its payments of fees-in-lieu-of taxes with respect to the Project pursuant to Section 4-1-175 of the Multi-County Park Act; and

WHEREAS, pursuant to Ordinance No. 2019-009 adopted on April 16, 2019, the County Council authorized the County to enter into a fee in lieu of tax agreement and special source credit agreement with the Company which classified the Project as “economic development property” under the FILOT Act and provided for the payment of fees in lieu of taxes and the provision of infrastructure credits to reimburse the Company for payment of the cost of certain infrastructure in connection with the Project, all as further described therein and which fee in lieu of tax agreement was entered into and dated as of May 1, 2019 (the “Original Fee Agreement”); and

WHEREAS, due to market considerations, the Company has requested certain amendments to the Original Fee Agreement and the County is agreeable to the requested amendments to the Original Fee Agreement; and

WHEREAS, the County Council has caused to be prepared and presented to this meeting the form of the Amended and Restated Fee in Lieu of Tax and Special Source Credit Agreement (the “Fee Agreement”) which the County proposes to execute and deliver; and

WHEREAS, it appears that the documents above referred to, which are now before this meeting, are in appropriate form and are an appropriate instrument to be executed and delivered or approved by the County for the purposes intended;

NOW, THEREFORE, BE IT ORDAINED, by the County Council as follows:

Section 1. Based on information supplied by the Company, it is hereby found, determined and declared by the County Council, as follows:

(a) The Project will constitute a “project” and “economic development property” as said terms are referred to and defined in the FILOT Act, and the County’s actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the FILOT Act;

(b) The Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally;

(c) The Project will give rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either;

(d) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs and addition to the tax base of the County, are proper governmental and public purposes; and

(e) The benefits of the Project are anticipated to be greater than the costs.

Section 2. The form, terms and provisions of the Fee Agreement presented to this meeting are hereby approved and all of the terms and provisions thereof are hereby incorporated herein by reference as if the Fee Agreement was set out in this Ordinance in its entirety. The Chairman of County Council is hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name of and on behalf of the County, and the Clerk to County Council is hereby authorized and directed to attest the same, and thereupon to cause the Fee Agreement to be delivered to the Company and cause a copy of the same to be delivered to the Anderson County Auditor, Assessor and Treasurer. The Fee Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall be approved by the Chairman of County Council, upon advice of counsel, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.

Section 3. The Chairman of County Council, the County Administrator and the Clerk to County Council, for and on behalf of the County, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County thereunder.

Section 4. The provisions of this ordinance are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 5. All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This ordinance shall take effect and be in full force from and after its passage by the County Council.

ENACTED in meeting duly assembled this _____ day of _____, 2020.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon Harmon
Anderson County Attorney

First Reading: _____, 2020
Second Reading: _____, 2020
Third Reading: _____, 2020
Public Hearing: _____, 2020

STATE OF SOUTH CAROLINA

COUNTY OF ANDERSON

I, the undersigned Clerk to County Council of Anderson County, South Carolina, do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given reading, and received unanimous approval, by the County Council at its meetings of _____, 2020, _____, 2020 and _____, 2020, at which meetings a quorum of members of County Council were present and voted, and an original of which ordinance is filed in the permanent records of the County Council.

Lacey Croegaert
Anderson County Clerk to Council

Dated: _____, 2020

**AMENDED AND RESTATED
FEE IN LIEU OF TAX AND
SPECIAL SOURCE CREDIT AGREEMENT**

Between

ANDERSON COUNTY, SOUTH CAROLINA

and

COI Anderson Industrial, LLC

Dated as of May 1, 2019
Amended as of _____, 2020

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AMENDED AND RESTATED
FEE IN LIEU OF TAX AGREEMENT**

As permitted under Section 12-44-55(B), Code of Laws of South Carolina 1976, as amended (the “Code”), the parties have agreed to waive the requirements of Section 12-44-55 of the Code. The following is a summary of the key provisions of this Amended and Restated Fee in Lieu of Tax and Special Source Credit Agreement. This summary is inserted for convenience only and does not constitute a part of this Amended and Restated Fee in Lieu of Tax and Special Source Credit Agreement or a summary compliant with Section 12-44-55 of the Code.

Company Name:	COI Anderson Industrial, LLC	Project Name:	Project 20190114
Projected Investment:	\$13,000,000		
Location (street):	Highway 86	Tax Map No.:	240-00-01-010-000
1. FILOT			
Required Investment:	\$13,000,000		
Investment Period:	5 years	Ordinance No./Date:	2019-009/April 16, 2019 <i>to be provided</i>
Assessment Ratio:	6%	Term (years):	
Fixed Millage:	316.5 mills	Net Present Value (if yes, discount rate):	
Clawback information:	If the Contract Minimum Investment Requirement is not made during the Standard Investment Period, the FILOT is terminated retroactively		
2. MCIP			
Included in an MCIP:	To be included in Anderson/Greenville Park (2010)		
If yes, Name & Date:			
3. SSRC			
Total Amount:			
No. of Years	30 years		
Yearly Increments:	85% years 1 – 5, 35% years 6 – 30		
Clawback information:	If the Contract Minimum Investment Requirement is not made during the Standard Investment Period, the SSRC is terminated retroactively.		
4. Other information	In the event \$13,000,000 has been invested within the Standard Investment Period, the Standard Investment Period shall be extended an additional 5 years.		

AMENDED AND RESTATED FEE IN LIEU OF TAX AGREEMENT

THIS AMENDED AND RESTATED FEE IN LIEU OF TAX AND SPECIAL SOURCE CREDIT AGREEMENT (the "**Fee Agreement**") is made and entered into as of _____, 2020 by and between **ANDERSON COUNTY, SOUTH CAROLINA** (the "**County**"), a body politic and corporate and a political subdivision of the State of South Carolina (the "**State**"), acting by and through the Anderson County Council (the "**County Council**") as the governing body of the County, and **COI Anderson Industrial, LLC**, a limited liability company organized and existing under the laws of the State of South Carolina (the "**Company**").

RECITALS

1. Title 12, Chapter 44 (the "**FILOT Act**"), Code of Laws of South Carolina, 1976, as amended (the "**Code**"), authorizes the County to (a) induce industries to locate in the State; (b) encourage industries now located in the State to expand their investments and thus make use of and employ manpower, products, and other resources of the State; and (c) enter into a fee agreement with entities meeting the requirements of the FILOT Act, which identifies certain property of such entities as economic development property and provides for the payment of a fee in lieu of tax with respect to such property.

2. Sections 4-1-17 and 12-44-70 of the Code authorize the County to provide special source revenue credit ("**Special Source Revenue Credit**") financing secured by and payable solely from revenues of the County derived from payments in lieu of taxes for the purposes set forth in Section 4-29-68 of the Code, namely: the defraying of the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County and for improved and unimproved real estate, and personal property, including but not limited to machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County (collectively, "**Infrastructure**").

3. The Company (as a Sponsor, within the meaning of the FILOT Act) desires to provide for the acquisition and construction of the Project (as defined herein) to constitute a new distribution/manufacturing facility in the County.

4. Based on information supplied by the Company, the County Council has evaluated the Project based on relevant criteria that include, but are not limited to, the purposes the Project is to accomplish, the anticipated dollar amount and nature of the investment, employment to be created or maintained, and the anticipated costs and benefits to the County. Pursuant to Section 12-44-40(H)(1) of the FILOT Act, the County finds that: (a) the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; (b) the Project will give rise to no pecuniary liability of the County or any incorporated municipality therein and to no charge against their general credit or taxing powers; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the benefits of the Project are greater than the costs.

5. The Project is located, or if not so located as of the date of this Fee Agreement the County intends to use its best efforts to so locate the Project, in a joint county industrial or business park created with an adjoining county in the State pursuant to agreement entered into pursuant to Section 4-1-170 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution.

6. Pursuant to Ordinance No. 2019-009 adopted on April 16, 2019, as an inducement to the Company to invest in the Project, the County Council authorized the County to enter into a fee in lieu of tax agreement which classifies the Project as Economic Development Property under the FILOT Act and provides

for the payment of fees in lieu of taxes and the provision of Special Source Revenue Credits to reimburse the Company for payment of the cost of certain Infrastructure in connection with the Project, all as further described therein and which fee in lieu of tax agreement was entered into and dated as of May 1, 2019 (the "Original Fee Agreement").

7. The County and the Company desire to amend and restate in its entirety the terms and provisions of the Original Fee Agreement, all as set forth in greater detail in this Fee Agreement.

8. By enactment of an Ordinance on _____, 2020, the County Council has authorized the County to enter into this Fee Agreement with the Company which classifies the Project as Economic Development Property under the FILOT Act and provides for the payment of fees in lieu of taxes and the provision of Special Source Revenue Credits to reimburse the Company for payment of the cost of certain Infrastructure in connection with the Project, all as further described herein.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions

The terms that this Article defines shall for all purposes of this Fee Agreement have the meanings herein specified, unless the context clearly requires otherwise:

"Administration Expenses" shall mean the reasonable and necessary expenses incurred by the County with respect to this Fee Agreement, including without limitation reasonable attorney fees; provided, however, that no such expense shall be considered an Administration Expense until the County has furnished to the Company a statement in writing indicating the amount of such expense and the reason it has been or will be incurred.

"Affiliate" shall mean any corporation, limited liability company, partnership or other entity which owns all or part of the Company (or with respect to a Sponsor Affiliate, such Sponsor Affiliate) or which is owned in whole or in part by the Company (or with respect to a Sponsor Affiliate, such Sponsor Affiliate) or by any partner, shareholder or owner of the Company (or with respect to a Sponsor Affiliate, such Sponsor Affiliate), as well as any subsidiary, affiliate, individual or entity who bears a relationship to the Company (or with respect to a Sponsor Affiliate, such Sponsor Affiliate), as described in Section 267(b) of the Internal Revenue Code of 1986, as amended.

"Code" shall mean the Code of Laws of South Carolina 1976, as amended.

"Commencement Date" shall mean the last day of the property tax year during which the Project or the first Phase thereof is placed in service, which date shall not be later than the last day of the property tax year which is three (3) years from the year in which the County and the Company enter into this Fee Agreement.

"Company" shall mean COI Anderson Industrial, LLC, a South Carolina limited liability company, and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets; or any other person or entity which may succeed to the rights and duties of the Company.

“Condemnation Event” shall mean any act of taking by a public or quasi-public authority through condemnation, reverse condemnation or eminent domain.

“Contract Minimum Investment Requirement” shall mean, with respect to the Project, investment by the Company and any Sponsor Affiliates of at least \$13,000,000 in Economic Development Property subject (non-exempt) to *ad valorem* taxation (in the absence of this Fee Agreement).

“County” shall mean Anderson County, South Carolina, a body politic and corporate and a political subdivision of the State, its successors and assigns, acting by and through the County Council as the governing body of the County.

“County Administrator” shall mean the Anderson County Administrator, or the person holding any successor office of the County.

“County Assessor” shall mean the Anderson County Assessor, or the person holding any successor office of the County.

“County Auditor” shall mean the Anderson County Auditor, or the person holding any successor office of the County.

“County Council” shall mean Anderson County Council, the governing body of the County.

“County Treasurer” shall mean the Anderson County Treasurer, or the person holding any successor office of the County.

“Defaulting Entity” shall have the meaning set forth for such term in Section 6.02(a) hereof.

“Deficiency Amount” shall have the meaning set forth for such term in Section 4.03(a) hereof.

“Department” shall mean the South Carolina Department of Revenue.

“Diminution in Value” in respect of the Project shall mean any reduction in the value, using the original fair market value (without regard to depreciation) as determined in Step 1 of Section 4.01 of this Fee Agreement, of the items which constitute a part of the Project and which are subject to FILOT payments which may be caused by the Company’s or any Sponsor Affiliate’s removal and/or disposal of equipment pursuant to Section 4.04 hereof, or by its election to remove components of the Project as a result of any damage or destruction or any Condemnation Event with respect thereto.

“Economic Development Property” shall mean those items of real and tangible personal property of the Project which are eligible for inclusion as economic development property under the FILOT Act, selected and identified by the Company or any Sponsor Affiliate in its annual filing of a SCDOR PT-300S or comparable form with the Department (as such filing may be amended from time to time) for each year within the Investment Period.

“Equipment” shall mean machinery, equipment, furniture, office equipment, and other tangible personal property, together with any and all additions, accessions, replacements, and substitutions thereto or therefor.

“Event of Default” shall mean any event of default specified in Section 6.01 hereof.

“Exemption Period” shall mean the period beginning on the first day of the property tax year after the property tax year in which an applicable portion of Economic Development Property is placed in service and ending on the Termination Date. In case there are Phases of the Project, the Exemption Period applies to each year’s investment made during the Investment Period.

“Extended Investment Period” shall mean the period ending five (5) years after the end of the Standard Investment Period.

“Fee Agreement” shall mean this Amended and Restated Fee in Lieu of Tax and Special Source Credit Agreement.

“FILOT” or ***“FILOT Payments”*** shall mean the amount paid or to be paid in lieu of *ad valorem* property taxes as provided herein.

“FILOT Act” shall mean Title 12, Chapter 44, of the Code, and all future acts successor or supplemental thereto or amendatory thereof.

“FILOT Act Minimum Investment Requirement” shall mean, with respect to the Project, an investment of at least \$2,500,000 by the Company, or of at least \$5,000,000 by the Company and any Sponsor Affiliates in the aggregate, in Economic Development Property.

“Improvements” shall mean improvements to the Land, including buildings, building additions, roads, sewer lines, and infrastructure, together with any and all additions, fixtures, accessions, replacements, and substitutions thereto or therefor.

“Infrastructure” shall mean infrastructure serving the County and improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of the Project, within the meaning of Section 4-29-68 of the Code.

“Investment Period” shall mean, and shall be equal to, the Standard Investment Period plus the Extended Investment Period, if applicable.

“Standard Investment Period” shall mean the period beginning with the first day of any purchase or acquisition of Economic Development Property and ending five (5) years after the Commencement Date.

“Land” means the land upon which the Project will be located, as described in Exhibit A attached hereto, as Exhibit A may be supplemented from time to time in accordance with Section 3.01(c) hereof.

“MCIP Act” shall mean Title 4, Chapter 1, of the Code, and all future acts successor or supplemental thereto or amendatory thereof.

“MCIP Agreement” shall mean the Agreement for the Development of a Joint County Industrial and Business Park (2010 Park) dated as of December 1, 2010, as amended, between the County and Greenville County, South Carolina, as the same may be further amended or supplemented from time to time, or such other agreement as the County may enter with respect to the Project to offer the benefits of the Special Source Revenue Credits to the Company hereunder.

“MCIP” shall mean (i) the joint county industrial park established pursuant to the terms of the MCIP Agreement and (ii) any joint county industrial park created pursuant to a successor park agreement delivered by the County and a partner county in accordance with Section 4-1-170 of the MCIP Act, or any successor provision, with respect to the Project.

“Phase” or “Phases” in respect of the Project shall mean that the components of the Project are placed in service during more than one year during the Investment Period, and the word “Phase” shall therefore refer to the applicable portion of the Project placed in service in a given year during the Investment Period.

“Project” shall mean the Land and all the Equipment and Improvements that the Company determines to be necessary, suitable or useful for the purposes described in Section 2.02(b) hereof, to the extent determined by the Company and any Sponsor Affiliate to be a part of the Project and placed in service during the Investment Period, and any Replacement Property. Notwithstanding anything in this Fee Agreement to the contrary, the Project shall not include property which will not qualify for the FILOT pursuant to Section 12-44-110 of the FILOT Act, including without limitation property which has been subject to *ad valorem* taxation in the State prior to commencement of the Investment Period; provided, however, the Project may include (a) modifications which constitute an expansion of the real property portion of the Project and (b) the property allowed pursuant to Section 12-44-110(2) of the FILOT Act.

“Removed Components” shall mean components of the Project or portions thereof which the Company or any Sponsor Affiliate in its sole discretion, elects to remove from the Project pursuant to Section 4.04 hereof or as a result of any Condemnation Event.

“Replacement Property” shall mean any property which is placed in service as a replacement for any item of Equipment or any Improvement previously subject to this Fee Agreement regardless of whether such property serves the same functions as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment or any Improvement to the fullest extent that the FILOT Act permits.

“Special Source Credits” shall mean the annual special source credits provided to the Company pursuant to Section 4.02 hereof.

“Sponsor Affiliate” shall mean an entity that joins with the Company and that participates in the investment in, or financing of, the Project and which meets the requirements under the FILOT Act to be entitled to the benefits of this Fee Agreement with respect to its participation in the Project, all as set forth in Section 5.13 hereof.

“Standard Investment Period” shall mean the period beginning with the first day of any purchase or acquisition of Economic Development Property and ending five (5) years after the Commencement Date.

“State” shall mean the State of South Carolina.

“Termination Date” shall mean, with respect to each Phase of the Project, the end of the last day of the property tax year which is the 29th year following the first property tax year in which such Phase of the Project is placed in service; provided, that the intention of the parties is that the Company will make at least 30 annual FILOT payments under Article IV hereof with respect to each Phase of the Project; and provided further, that if this Fee Agreement is terminated earlier in accordance with the terms hereof, the Termination Date shall mean the date of such termination.

“Transfer Provisions” shall mean the provisions of Section 12-44-120 of the FILOT Act, as amended or supplemented from time to time, concerning, among other things, the necessity of obtaining County consent to certain transfers.

Any reference to any agreement or document in this Article I or otherwise in this Fee Agreement shall include any and all amendments, supplements, addenda, and modifications to such agreement or document.

Section 1.02 Project-Related Investments

The term “investment” or “invest” as used herein shall include not only investments made by the Company and any Sponsor Affiliates, but also to the fullest extent permitted by law, those investments made by or for the benefit of the Company or any Sponsor Affiliate with respect to the Project through federal, state, or local grants, to the extent such investments are subject to *ad valorem* taxes or FILOT payments by the Company.

[End of Article I]

REPRESENTATIONS, WARRANTIES, AND AGREEMENTS

Section 2.01 Representations, Warranties, and Agreements of the County

The County hereby represents, warrants, and agrees as follows:

(a) The County is a body politic and corporate and a political subdivision of the State and acts through the County Council as its governing body. The County has duly authorized the execution and delivery of this Fee Agreement and any and all other agreements described herein or therein and has obtained all consents from third parties and taken all actions necessary or that the law requires to fulfill its obligations hereunder.

(b) Based upon representations by the Company, the Project constitutes a “project” within the meaning of the FILOT Act.

(c) The County has agreed that each item of real and tangible personal property comprising the Project which is eligible to be economic development property under the FILOT Act and that the Company selects shall be considered Economic Development Property and is thereby exempt from *ad valorem* taxation in the State.

(d) The millage rate set forth in Step 3 of Section 4.01(a) hereof is 316.5 mills, which is the millage rate in effect with respect to the location of the proposed Project as of June 30, 2019, as permitted under Section 12-44-50(A)(1)(d) of the FILOT Act.

(e) The County will use its reasonable best efforts to cause the Project to be located in a MCIP for a term extending at least until the end of the period of FILOT Payments against which a Special Source Credit is to be provided under this Fee Agreement.

Section 2.02 Representations, Warranties, and Agreements of the Company

The Company hereby represents, warrants, and agrees as follows:

(a) The Company is organized and in good standing under the laws of the State of South Carolina, is duly authorized to transact business in the State, has power to enter into this Fee Agreement, and has duly authorized the execution and delivery of this Fee Agreement.

(b) The Company intends to operate the Project as a “project” within the meaning of the FILOT Act as in effect on the date hereof. The Company intends to operate the Project for the purpose of a distribution/manufacturing facility, and for such other purposes that the FILOT Act permits as the Company may deem appropriate.

(c) The execution and delivery of this Fee Agreement by the County has been instrumental in inducing the Company to locate the Project in the County.

(d) The Company, together with any Sponsor Affiliates, will use commercially reasonable efforts to meet, or cause to be met, the Contract Minimum Investment Requirement within the Standard Investment Period.

[End of Article II]

COMMENCEMENT AND COMPLETION OF THE PROJECT

Section 3.01 The Project

(a) The Company intends and expects, together with any Sponsor Affiliate, to (i) construct and acquire the Project, and (ii) meet the Contract Minimum Investment Requirement within the Standard Investment Period. The Company anticipates that the first Phase of the Project will be placed in service during the calendar year ending December 31, 2019. In the event, the Contract Minimum Investment Requirement has been met within the Standard Investment Period, the Investment Period shall be extended to include the Extended Investment Period.

(b) Pursuant to the FILOT Act and subject to Section 4.03 hereof, the Company and the County hereby agree that the Company and any Sponsor Affiliates shall identify annually those assets which are eligible for FILOT payments under the FILOT Act and which the Company or any Sponsor Affiliate selects for such treatment by listing such assets in its annual PT-300S form (or comparable form) to be filed with the Department (as such may be amended from time to time) and that by listing such assets, such assets shall automatically become Economic Development Property and therefore be exempt from all *ad valorem* taxation during the Exemption Period. Anything contained in this Fee Agreement to the contrary notwithstanding, the Company and any Sponsor Affiliates shall not be obligated to complete the acquisition of the Project. However, if the Company, together with any Sponsor Affiliates, does not meet the Contract Minimum Investment Requirement within the Standard Investment Period, the provisions of Section 4.03 hereof shall control.

(c) The Company may add to the Land such real property, located in the same taxing District in the County as the original Land, as the Company, in its discretion, deems useful or desirable. In such event, the Company, at its expense, shall deliver an appropriately revised Exhibit A to this Fee Agreement, in form reasonably acceptable to the County.

Section 3.02 Diligent Completion

The Company agrees to use its reasonable efforts to cause the completion of the Project as soon as practicable, but in any event on or prior to the end of the Standard Investment Period.

Section 3.03 Filings and Reports

(a) Each year during the term of the Fee Agreement, the Company and any Sponsor Affiliates shall deliver to the County, the County Auditor, the County Assessor and the County Treasurer a copy of their most recent annual filings with the Department with respect to the Project, not later than thirty (30) days following delivery thereof to the Department.

(b) The Company shall cause a copy of this Fee Agreement, as well as a copy of the completed Form PT-443 of the Department, to be filed with the County Auditor and the County Assessor, and to their counterparts in the partner county to the MCIP Agreement, the County Administrator and the Department within thirty (30) days after the date of execution and delivery of this Fee Agreement by all parties hereto.

(c) Each of the Company and any Sponsor Affiliates agree to maintain complete books and records accounting for the acquisition, financing, construction, and operation of the Project. Such books and records shall (i) permit ready identification of the various Phases and components thereof; (ii) confirm the dates on which each Phase was placed in service; and (iii) include copies of all filings made by the Company and any such Sponsor Affiliates in accordance with Section 3.03(a) or (b) above with respect to property placed in service as part of the Project.

[End of Article III]

FILOT PAYMENTS

Section 4.01 FILOT Payments

(a) Pursuant to Section 12-44-50 of the FILOT Act, the Company and any Sponsor Affiliates, as applicable, are required to make payments in lieu of *ad valorem* taxes to the County with respect to the Economic Development Property. Inasmuch as the Company anticipates an initial investment of sums sufficient for the Project to qualify for a fee in lieu of tax arrangement under Section 12-44-50(A)(1) of the FILOT Act, the County and the Company have negotiated the amount of the FILOT Payments in accordance therewith. The Company and any Sponsor Affiliates, as applicable, shall make payments in lieu of *ad valorem* taxes on all Economic Development Property which comprises the Project and is placed in service, as follows: the Company and any Sponsor Affiliates, as applicable, shall make payments in lieu of *ad valorem* taxes during the Exemption Period with respect to the Economic Development Property or, if there are Phases of the Economic Development Property, with respect to each Phase of the Economic Development Property, said payments to be made annually and to be due and payable and subject to penalty assessments on the same dates and in the same manner as prescribed by the County for *ad valorem* taxes. The determination of the amount of such annual FILOT Payments shall be in accordance with the following procedure (subject, in any event, to the procedures required by the FILOT Act):

Step 1: Determine the fair market value of the Economic Development Property (or Phase of the Economic Development Property) placed in service during the Exemption Period using original income tax basis for State income tax purposes for any real property and Improvements without regard to depreciation (provided, the fair market value of real property, as the FILOT Act defines such term, that the Company and any Sponsor Affiliates obtains by construction or purchase in an arms-length transaction is equal to the original income tax basis, and otherwise, the determination of the fair market value is by appraisal) and original income tax basis for State income tax purposes for any personal property less depreciation for each year allowable for property tax purposes, except that no extraordinary obsolescence shall be allowable. The fair market value of the real property for the first year of the Exemption Period remains the fair market value of the real property and Improvements for the life of the Exemption Period. The determination of these values shall take into account all applicable property tax exemptions that State law would allow to the Company and any Sponsor Affiliates if the property were taxable, except those exemptions that Section 12-44-50(A)(2) of the FILOT Act specifically disallows.

Step 2: Apply an assessment ratio of six percent (6%) to the fair market value in Step 1 to establish the taxable value of the Economic Development Property (or each Phase of the Economic Development Property) in the year it is placed in service and in each of the 29 years thereafter or such longer period of years in which the FILOT Act permits the Company and any Sponsor Affiliates to make annual FILOT payments.

Step 3: Use a millage rate of 316.5 mills during the Exemption Period against the taxable value to determine the amount of the FILOT Payments due during the Exemption Period on the applicable payment dates.

(b) In the event that a final order of a court of competent jurisdiction from which no further appeal is allowable declares the FILOT Act and/or the herein-described FILOT Payments invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions to reform such payments so as to effectuate most closely the intent thereof (without increasing the amount of incentives being afforded herein) and so as to afford the Company and any Sponsor Affiliates with the benefits to be derived herefrom, the intention of the County being to offer the Company and such Sponsor Affiliates a strong inducement to locate the Project in the County. If the Economic Development Property is deemed to be subject to *ad valorem* taxation, this Fee Agreement shall terminate, and the Company and any Sponsor Affiliates shall pay the County regular *ad valorem* taxes from the date of termination, but with appropriate reductions equivalent to all tax exemptions which are afforded to the Company and such Sponsor Affiliates. Any amount determined to be due and owing to the County from the Company and such Sponsor Affiliates, with respect to a year or years for which the Company or such Sponsor Affiliates previously remitted FILOT Payments to the County hereunder, shall (i) take into account all applicable tax exemptions to which the Company or such Sponsor Affiliates would be entitled if the Economic Development Property was not and had not been Economic Development Property under the Act; and (ii) be reduced by the total amount of FILOT Payments the Company or such Sponsor Affiliates had made with respect to the Project pursuant to the terms hereof.

Section 4.02 Special Source Credits

(a) In accordance with and pursuant to Section 12-44-70 of the FILOT Act and Section 4-1-175 of the MCIP Act, in order to reimburse the Company for qualifying capital expenditures incurred for costs of the Infrastructure during the Investment Period, the Company shall be entitled to receive, and the County agrees to provide, annual Special Source Credits against the Company's FILOT Payments for a period of five (5) consecutive years in an amount equal to eighty-five percent (85%) of that portion of FILOT Payments payable by the Company with respect to the Project (that is, with respect to investment made by the Company in the Project during the Standard Investment Period), calculated and applied after payment of the amount due the non-host county under the MCIP Agreement, and thereafter, for a period of twenty-five (25) consecutive years in an amount equal to thirty-five percent (35%) of that portion of FILOT Payments payable by the Company with respect to the Project (that is, with respect to investment made by the Company in the Project during the Investment Period), calculated and applied after payment of the amount due the non-host county under the MCIP Agreement.

(b) Notwithstanding anything herein to the contrary, under no circumstances shall the Company be entitled to claim or receive any abatement of *ad valorem* taxes for any portion of the investment in the Project for which a Special Source Credit is taken.

(c) In no event shall the aggregate amount of all Special Source Credits claimed by the Company exceed the amount expended with respect to the Infrastructure at any point in time. The Company shall be responsible for making written annual certification as to compliance with the provisions of the preceding sentence through the delivery of a certification in substantially the form attached hereto as Exhibit C.

(d) Should the Contract Minimum Investment Requirement not be met by the end of the Standard Investment Period, any Special Source Credits otherwise payable under this Agreement shall no longer be payable by the County, and the Company shall be retroactively liable to the County for the amount of the Special Source Credits previously received by the Company, plus interest at the rate payable for late payment of taxes. Any amounts determined to be owing pursuant to the foregoing sentence shall be payable to the County on or before the one hundred twentieth (120th) day following the last day of the Standard Investment Period.

(e) As provided in Section 4-29-68 of the Code, to the extent any Special Source Credit is taken against fee in lieu of tax payment on personal property, and the personal property is removed from the Project at any time during the term of this Agreement (and not replaced with qualifying replacement property), the amount of the fee in lieu of taxes due on the personal property for the year in which the personal property was removed from the Project shall be due for the two (2) years immediately following such removal.

(f) Each annual Special Source Credit shall be reflected by the County Auditor or other authorized County official or representative on each bill for FILOT Payments sent to the Company by the County for each applicable property tax year, by reducing such FILOT Payments otherwise due by the amount of the Special Source Credit to be provided to the Company for such property tax year.

(g) The Special Source Credits are payable solely from the FILOT Payments, are not secured by, or in any way entitled to, a pledge of the full faith, credit or taxing power of the County, are not an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation, are payable solely from a special source that does not include revenues from any tax or license, and are not a pecuniary liability of the County or a charge against the general credit or taxing power of the County.

Section 4.03 Failure to Achieve Minimum Investment Requirement

(a) In the event the Company, together with any Sponsor Affiliates, fails to meet the Contract Minimum Investment Requirement by the end of the Standard Investment Period, this Fee Agreement shall terminate and the Company and such Sponsor Affiliates shall pay the County an amount which is equal to the excess, if any, of (i) the total amount of *ad valorem* taxes as would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the items of property comprising the Economic Development Property were not Economic Development Property, but with appropriate reductions equivalent to all tax exemptions and abatements to which the Company and such Sponsor Affiliates would be entitled in such a case, through and including the end of the Standard Investment Period, over (ii) the total amount of FILOT payments the Company and such Sponsor Affiliates have made with respect to the Economic Development Property (after taking into account any Special Source Revenue Credits received) (such excess, a “*Deficiency Amount*”) for the period through and including the end of the Standard Investment Period. Any amounts determined to be owing pursuant to the foregoing sentence shall be payable to the County on or before the one hundred twentieth (120th) day following the last day of the Standard Investment Period.

(b) As a condition to the FILOT benefit provided herein, the Company agrees to provide the County Administrator, the County Assessor, the County Auditor and the County Treasurer with an annual certification as to investment in the Project. Such certification shall be in substantially the form attached hereto as Exhibit B, and shall be due no later than the May 1 following the immediately preceding December 31 of each year during the Investment Period.

Section 4.04 Removal of Equipment

Subject, always, to the other terms and provisions of this Fee Agreement, the Company and any Sponsor Affiliates shall be entitled to remove and dispose of components of the Project from the Project in its sole discretion with the result that said components shall no longer be considered a part of the Project and, to the extent such constitute Economic Development Property, shall no longer be subject to the terms of this Fee Agreement. Economic Development Property is disposed of only when it is scrapped or sold or removed from the Project. If it is removed from the Project, it is subject to *ad valorem* property taxes to the extent the Property remains in the State and is otherwise subject to *ad valorem* property taxes.

Section 4.05 FILOT Payments on Replacement Property

If the Company or any Sponsor Affiliate elects to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Economic Development Property, or the Company or any Sponsor Affiliate otherwise utilizes Replacement Property, then, pursuant and subject to the provisions of Section 12-44-60 of the FILOT Act, the Company or such Sponsor Affiliate shall make statutory payments in lieu of *ad valorem* taxes with regard to such Replacement Property in accordance with the following:

(i) Replacement Property does not have to serve the same function as the Economic Development Property it is replacing. Replacement Property is deemed to replace the oldest Economic Development Property subject to the Fee, whether real or personal, which is disposed of in the same property tax year in which the Replacement Property is placed in service. Replacement Property qualifies as Economic Development Property only to the extent of the original income tax basis of Economic Development Property which is being disposed of in the same property tax year. More than one piece of property can replace a single piece of Economic Development Property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to annual payments calculated as if the exemption for Economic Development Property were not allowable. Replacement Property is entitled to treatment under the Fee Agreement for the period of time remaining during the Exemption Period for the Economic Development Property which it is replacing; and

(ii) The new Replacement Property which qualifies for the FILOT shall be recorded using its income tax basis, and the calculation of the FILOT shall utilize the millage rate and assessment ratio in effect with regard to the original property subject to the FILOT.

Section 4.06 Reductions in Payment of Taxes Upon Diminution in Value; Investment Maintenance Requirement

In the event of a Diminution in Value of the Economic Development Property, the FILOT payments with regard to the Economic Development Property shall be reduced in the same proportion as the amount of such Diminution in Value bears to the original fair market value of the Economic Development Property as determined pursuant to Step 1 of Section 4.01(a) hereof; *provided, however*, that if at any time subsequent to the end of the Investment Period, the total value of the Project remaining in the County based on the original income tax basis thereof (that is, without regard to depreciation), is less than the FILOT Act Minimum Investment Requirement, then beginning with the first payment thereafter due hereunder and continuing until the Termination Date, the Project shall no longer be entitled to the incentive provided in Section 4.01, and the Company and any Sponsor Affiliate shall therefore commence to pay regular *ad valorem* taxes thereon, calculated as set forth in Section 4.01(b) hereof.

[End of Article IV]

PARTICULAR COVENANTS AND AGREEMENTS

Section 5.01 Cessation of Operations

Notwithstanding any other provision of this Fee Agreement, each of the Company and any Sponsor Affiliates acknowledges and agrees that County's obligation to provide the FILOT incentive ends, and this Fee Agreement is terminated, if the Company ceases operations at the Project. For purposes of this Section, "ceases operations" means closure of the facility or the cessation of production and shipment of products to customers for a continuous period of twenty-four (24) months. The provisions of Section 4.03 hereof relating to retroactive payments shall apply, if applicable, if this Fee Agreement is terminated in accordance with this Section prior to the end of the Standard Investment Period. Each of the Company and any Sponsor Affiliates agrees that if this Fee Agreement is terminated pursuant to this subsection, that under no circumstance shall the County be required to refund or pay any monies to the Company or any Sponsor Affiliates.

Section 5.02 Rights to Inspect

The Company agrees that the County and its authorized agents shall have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project. The County and its authorized agents shall also be permitted, at all reasonable times and upon prior reasonable notice, to have access to examine and inspect the Company's South Carolina property tax returns, as filed. The aforesaid rights of examination and inspection shall be exercised only upon such reasonable and necessary terms and conditions as the Company shall prescribe, and shall be subject to the provisions of Section 5.03 hereof.

Section 5.03 Confidentiality

The County acknowledges and understands that the Company and any Sponsor Affiliates may utilize confidential and proprietary processes and materials, services, equipment, trade secrets, and techniques (herein "Confidential Information"). In this regard, the Company and any Sponsor Affiliates may clearly label any Confidential Information delivered to the County "Confidential Information." The County agrees that, except as required by law, neither the County nor any employee, agent, or contractor of the County shall disclose or otherwise divulge any such clearly labeled Confidential Information to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by law. Each of the Company and any Sponsor Affiliates acknowledge that the County is subject to the South Carolina Freedom of Information Act, and, as a result, must disclose certain documents and information on request, absent an exemption. In the event that the County is required to disclose any Confidential Information obtained from the Company or any Sponsor Affiliates to any third party, the County agrees to provide the Company and such Sponsor Affiliates with as much advance notice as is reasonably possible of such requirement before making such disclosure, and to cooperate reasonably with any attempts by the Company and such Sponsor Affiliates to obtain judicial or other relief from such disclosure requirement.

Section 5.04 Limitation of County's Liability

Anything herein to the contrary notwithstanding, any financial obligation the County may incur hereunder, including for the payment of money, shall not be deemed to constitute a pecuniary liability or a debt or general obligation of the County (it being intended herein that any obligations of the County with respect to the Special Source Revenue Credits shall be payable only from FILOT payments received from

or payable by the Company or any Sponsor Affiliates); provided, however, that nothing herein shall prevent the Company from enforcing its rights hereunder by suit for *mandamus* or specific performance.

Section 5.05 Mergers, Reorganizations and Equity Transfers

Each of the Company and any Sponsor Affiliates acknowledges that any mergers, reorganizations or consolidations of the Company and such Sponsor Affiliates may cause the Project to become ineligible for negotiated fees in lieu of taxes under the FILOT Act absent compliance by the Company and such Sponsor Affiliates with the Transfer Provisions; provided that, to the extent provided by Section 12-44-120 of the FILOT Act or any successor provision, any financing arrangements entered into by the Company or any Sponsor Affiliates with respect to the Project and any security interests granted by the Company or any Sponsor Affiliates in connection therewith shall not be construed as a transfer for purposes of the Transfer Provisions. Notwithstanding anything in this Fee Agreement to the contrary, it is not intended in this Fee Agreement that the County shall impose transfer restrictions with respect to the Company, any Sponsor Affiliates or the Project as are any more restrictive than the Transfer Provisions.

Section 5.06 Indemnification Covenants

(a) Notwithstanding any other provisions in this Fee Agreement or in any other agreements with the County, the Company agrees to indemnify, defend and save the County, its County Council members, elected officials, officers, employees, servants and agents (collectively, the “Indemnified Parties”) harmless against and from all claims by or on behalf of any person, firm or corporation arising from the conduct or management of, or from any work or thing done on the Project or the Land by the Company or any Sponsor Affiliate, their members, officers, shareholders, employees, servants, contractors, and agents during the Term, and, the Company further, shall indemnify, defend and save the Indemnified Parties harmless against and from all claims arising during the Term from (i) entering into and performing its obligations under this Fee Agreement, (ii) any condition of the Project, (iii) any breach or default on the part of the Company or any Sponsor Affiliate in the performance of any of its obligations under this Fee Agreement, (iv) any act of negligence of the Company or any Sponsor Affiliate or its agents, contractors, servants, employees or licensees, (v) any act of negligence of any assignee or lessee of the Company or any Sponsor Affiliate, or of any agents, contractors, servants, employees or licensees of any assignee or lessee of the Company or any Sponsor Affiliate, or (vi) any environmental violation, condition, or effect with respect to the Project. The Company shall indemnify, defend and save the County harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon, and upon notice from the County, the Company shall defend it in any such action, prosecution or proceeding with legal counsel acceptable to the County (the approval of which shall not be unreasonably withheld).

(b) Notwithstanding the fact that it is the intention of the parties that the Indemnified Parties shall not incur pecuniary liability by reason of the terms of this Fee Agreement, or the undertakings required of the County hereunder, by reason of the granting of the FILOT, by reason of the execution of this Fee Agreement, by the reason of the performance of any act requested of it by the Company or any Sponsor Affiliate, or by reason of the County’s relationship to the Project or by the operation of the Project by the Company or any Sponsor Affiliate, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if the County or any of the other Indemnified Parties should incur any such pecuniary liability, then in such event the Company shall indemnify, defend and hold them harmless against all claims by or on behalf of any person, firm or corporation, arising out of the same, and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice, the Company shall defend them in any such action or proceeding with legal counsel acceptable to the County (the approval of which shall not be unreasonably withheld); provided, however, that such indemnity shall not apply to the extent

that any such claim is attributable to (i) the grossly negligent acts or omissions or willful misconduct of the County, its agents, officers or employees, or (ii) any breach of this Fee Agreement by the County.

(c) Notwithstanding anything in this Fee Agreement to the contrary, the above-referenced covenants insofar as they pertain to costs, damages, liabilities or claims by any Indemnified Party resulting from any of the above-described acts of or failure to act by the Company or any Sponsor Affiliate, shall survive any termination of this Fee Agreement.

Section 5.07 Qualification in State

Each of the Company and any Sponsor Affiliates warrant that it is duly qualified to do business in the State, and covenants that it will continue to be so qualified so long as it operates any portion of the Project.

Section 5.08 No Liability of County's Personnel

All covenants, stipulations, promises, agreements and obligations of the County contained herein shall be deemed to be covenants, stipulations, promises, agreements and obligations of the County and shall be binding upon any member of the County Council or any elected official, officer, agent, servant or employee of the County only in his or her official capacity and not in his or her individual capacity, and no recourse shall be had for the payment of any moneys hereunder against any member of the governing body of the County or any elected official, officer, agent, servants or employee of the County and no recourse shall be had against any member of the County Council or any elected official, officer, agent, servant or employee of the County for the performance of any of the covenants and agreements of the County herein contained or for any claims based thereon except solely in their official capacity.

Section 5.09 Assignment, Leases or Transfers

The County agrees that the Company and any Sponsor Affiliates may at any time (a) transfer all or any of their rights and interests under this Fee Agreement or with respect to all or any part of the Project, or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing or other entity with respect to this Fee Agreement or all or any part of the Project, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such portion of the Project, whereby the transferee in any such arrangement leases the portion of the Project in question to the Company or any Sponsor Affiliate or operates such assets for the Company or any Sponsor Affiliate or is leasing the portion of the Project in question from the Company or any Sponsor Affiliate. In order to preserve the FILOT benefit afforded hereunder with respect to any portion of the Project so transferred, leased, financed, or otherwise affected: (i) except in connection with any transfer to an Affiliate of the Company or of any Sponsor Affiliate, or transfers, leases, or financing arrangements pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company and any Sponsor Affiliates, as applicable, shall obtain the prior consent or subsequent ratification of the County which consent or subsequent ratification may be granted by the County in its sole discretion; (ii) except when a financing entity which is the income tax owner of all or part of the Project is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company or any Sponsor Affiliate, as the case may be, hereunder, or when the County consents in writing, no such transfer shall affect or reduce any of the obligations of the Company and any Sponsor Affiliates hereunder; (iii) to the extent the transferee or financing entity shall become obligated to make FILOT Payments hereunder, the transferee shall assume the then current basis of, as the case may be, the Company or any Sponsor Affiliates (or prior transferee) in the portion of the Project transferred; (iv) the Company or applicable Sponsor Affiliate,

transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department a true and complete copy of any such transfer agreement; and (v) the Company, the Sponsor Affiliates and the transferee shall comply with all other requirements of the Transfer Provisions.

Subject to County consent when required under this Section, and at the expense of the Company or any Sponsor Affiliate, as the case may be, the County agrees to take such further action or execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or such Sponsor Affiliate under this Fee Agreement and/or any release of the Company or such Sponsor Affiliate pursuant to this Section.

Each of the Company and any Sponsor Affiliates acknowledges that such a transfer of an interest under this Fee Agreement or in the Project may cause all or part of the Project to become ineligible for the FILOT benefit afforded hereunder or result in penalties under the FILOT Act absent compliance by the Company and any Sponsor Affiliates with the Transfer Provisions.

Section 5.10 Administration Expenses

The Company agrees to pay any Administration Expenses to the County when and as they shall become due, but in no event later than the date which is the earlier of any payment date expressly provided for in this Fee Agreement or the date which is forty-five (45) days after receiving written notice from the County, accompanied by such supporting documentation as may be necessary to evidence the County's or Indemnified Party's right to receive such payment, specifying the nature of such expense and requesting payment of same.

Section 5.11 Priority Lien Status

The County's right to receive FILOT payments hereunder shall have a first priority lien status pursuant to Sections 12-44-90(E) and (F) of the FILOT Act and Chapters 4, 49, 51, 53, and 54 of Title 12 of the Code.

Section 5.12 Interest; Penalties

In the event the Company or any Sponsor Affiliate should fail to make any of the payments to the County required under this Fee Agreement, then the item or installment so in default shall continue as an obligation of the Company or such Sponsor Affiliate until the Company or such Sponsor Affiliate shall have fully paid the amount, and the Company and any Sponsor Affiliates agree, as applicable, to pay the same with interest thereon at a rate, unless expressly provided otherwise herein and in the case of FILOT payments, of 5% per annum, compounded monthly, to accrue from the date on which the payment was due and, in the case of FILOT payments, at the rate for non-payment of *ad valorem* taxes under State law and subject to the penalties the law provides until payment.

Section 5.13 Sponsor Affiliates

The Company may designate from time to time any Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(20) and 12-44-130 of the FILOT Act, which Sponsor Affiliates shall join with the Company and make investments with respect to the Project, or participate in the financing of such investments, and shall agree to be bound by the terms and provisions of this Fee Agreement pursuant to the terms of a written joinder agreement with the County and the Company, in form reasonably acceptable to the County. The Company shall provide the County and the Department with written notice of any Sponsor Affiliate designated pursuant to this Section within ninety (90) days after the end of the calendar year during

which any such Sponsor Affiliate has placed in service any portion of the Project, in accordance with Section 12-44-130(B) of the FILOT Act.

[End of Article V]

DEFAULT

Section 6.01 Events of Default

The following shall be “Events of Default” under this Fee Agreement, and the term “Event of Default” shall mean, whenever used with reference to this Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Company or any Sponsor Affiliate to make the FILOT Payments described in Section 4.01 hereof, or any other amounts payable to the County under this Fee Agreement when due, which failure shall not have been cured within thirty (30) days following receipt of written notice thereof from the County; provided, however, that the Company and any Sponsor Affiliates shall be entitled to all redemption rights granted by applicable statutes; or

(b) A representation or warranty made by the Company or any Sponsor Affiliate hereunder which is deemed materially incorrect when deemed made; or

(c) Failure by the Company or any Sponsor Affiliate to perform any of the terms, conditions, obligations, or covenants hereunder (other than those under (a) above), which failure shall continue for a period of thirty (30) days after written notice from the County to the Company and such Sponsor Affiliate specifying such failure and requesting that it be remedied, unless the Company or such Sponsor Affiliate shall have instituted corrective action within such time period and is diligently pursuing such action until the default is corrected, in which case the 30-day period shall be extended to cover such additional period during which the Company or such Sponsor Affiliate is diligently pursuing corrective action; or

(d) Failure by the County to perform any of the terms, conditions, obligations, or covenants hereunder, which failure shall continue for a period of thirty (30) days after written notice from the Company to the County and any Sponsor Affiliates specifying such failure and requesting that it be remedied, unless the County shall have instituted corrective action within such time period and is diligently pursuing such action until the default is corrected, in which case the 30-day period shall be extended to cover such additional period during which the County is diligently pursuing corrective action.

Section 6.02 Remedies Upon Default

(a) Whenever any Event of Default by the Company or any Sponsor Affiliate (the “*Defaulting Entity*”) shall have occurred and shall be continuing, the County may take any one or more of the following remedial actions as to the Defaulting Entity, only:

(i) terminate this Fee Agreement; or

(ii) take whatever action at law or in equity may appear necessary or desirable to collect the amounts due hereunder.

In no event shall the Company or any Sponsor Affiliate be liable to the County or otherwise for monetary damages resulting from the Company’s (together with any Sponsor Affiliates) failure to meet the FILOT Act Minimum Investment Requirement or the Contract Minimum Investment Requirement other than as expressly set forth in this Fee Agreement.

In addition to all other remedies provided herein, the failure to make FILOT payments shall give rise to a lien for tax purposes as provided in Section 12-44-90 of the FILOT Act. In this regard, and

notwithstanding anything in this Fee Agreement to the contrary, the County may exercise the remedies that general law (including Title 12, Chapter 49 of the Code) provides with regard to the enforced collection of *ad valorem* taxes to collect any FILOT payments due hereunder.

(b) Whenever any Event of Default by the County shall have occurred or shall be continuing, the Company and any Sponsor Affiliate may take one or more of the following actions:

- (i) bring an action for specific enforcement;
- (ii) terminate this Fee Agreement as to the acting party; or
- (iii) in case of a materially incorrect representation or warranty, take such action as is appropriate, including legal action, to recover its damages, to the extent allowed by law.

Section 6.03 Reimbursement of Legal Fees and Expenses and Other Expenses

Upon the occurrence of an Event of Default hereunder by the Company or any Sponsor Affiliate, should the County be required to employ attorneys or incur other reasonable expenses for the collection of payments due hereunder or for the enforcement of performance or observance of any obligation or agreement, the County shall be entitled, within thirty (30) days of demand therefor, to reimbursement of the reasonable fees of such attorneys and such other reasonable expenses so incurred.

Section 6.04 No Waiver

No failure or delay on the part of any party hereto in exercising any right, power, or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy hereunder. No waiver of any provision hereof shall be effective unless the same shall be in writing and signed by the waiving party hereto.

[End of Article VI]

MISCELLANEOUS

Section 7.01 Notices

Any notice, election, demand, request, or other communication to be provided under this Fee Agreement shall be effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms hereof require receipt rather than sending of any notice, in which case such provision shall control:

If to the Company:

COI Anderson Industrial, LLC
c/o: VanTrust Real Estate, LLC
4900 Main Street, Suite 400
Kansas City, Missouri 64112

With a copy to:

James K. Price
Nexsen Pruet, LLC
55 E. Camperdown Way, Suite 400
Greenville, South Carolina 29601

If to the County:

Anderson County
Attn: Rusty Burns, County Administrator
P.O. Box 8002
Anderson, South Carolina 29622-8002

With a copy to:

Anderson County Attorney
P.O. Box 8002
Anderson, South Carolina 29622-8002

Section 7.02 Binding Effect

This Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Company and any Sponsor Affiliates, the County, and their respective successors and assigns. In the event of the dissolution of the County or the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations, promises, and agreements of this Fee Agreement shall bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency, or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 7.03 Counterparts

This Fee Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 7.04 Governing Law

This Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State.

Section 7.05 Headings

The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

Section 7.06 Amendments

The provisions of this Fee Agreement may only be modified or amended in writing by any agreement or agreements entered into between the parties.

Section 7.07 Further Assurance

From time to time, and at the expense of the Company and any Sponsor Affiliates, the County agrees to execute and deliver to the Company and any such Sponsor Affiliates such additional instruments as the Company or such Sponsor Affiliates may reasonably request and as are authorized by law and reasonably within the purposes and scope of the FILOT Act and this Fee Agreement to effectuate the purposes of this Fee Agreement.

Section 7.08 Invalidity; Change in Laws

In the event that the inclusion of property as Economic Development Property or any other issue is unclear under this Fee Agreement, the County hereby expresses its intention that the interpretation of this Fee Agreement shall be in a manner that provides for the broadest inclusion of property under the terms of this Fee Agreement and the maximum incentive permissible under the FILOT Act, to the extent not inconsistent with any of the explicit terms hereof. If any provision of this Fee Agreement is declared illegal, invalid, or unenforceable for any reason, the remaining provisions hereof shall be unimpaired, and such illegal, invalid, or unenforceable provision shall be reformed to effectuate most closely the legal, valid, and enforceable intent thereof and so as to afford the Company and any Sponsor Affiliates with the maximum benefits to be derived herefrom, it being the intention of the County to offer the Company and any Sponsor Affiliates the strongest inducement possible, within the provisions of the FILOT Act, to locate the Project in the County. In case a change in the FILOT Act or South Carolina laws eliminates or reduces any of the restrictions or limitations applicable to the Company and any Sponsor Affiliates and the FILOT incentive, the parties agree that the County will give expedient and full consideration to reformation of this Fee Agreement, and, if the County Council so decides, to provide the Company and any Sponsor Affiliates with the benefits of such change in the FILOT Act or South Carolina laws.

Section 7.09 Termination by Company

The Company is authorized to terminate this Fee Agreement at any time with respect to all or part of the Project upon providing the County with thirty (30) days' written notice; *provided, however*, that (i) any monetary obligations existing hereunder and due and owing at the time of termination to a party hereto

(including without limitation any amounts owed with respect to Section 4.03 hereof); and (ii) any provisions which are intended to survive termination shall survive such termination. In the year following such termination, all property shall be subject to *ad valorem* taxation or such other taxation or fee in lieu of taxation that would apply absent this Agreement. The Company's obligation to make FILOT Payments under this Fee Agreement shall terminate in the year following the year of such termination pursuant to this section.

Section 7.10 Entire Understanding

This Fee Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Fee Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 7.11 Waiver

Either party may waive compliance by the other party with any term or condition of this Fee Agreement only in a writing signed by the waiving party.

Section 7.12 Business Day

In the event that any action, payment, or notice is, by the terms of this Fee Agreement, required to be taken, made, or given on any day which is a Saturday, Sunday, or legal holiday in the jurisdiction in which the person obligated to act is domiciled, such action, payment, or notice may be taken, made, or given on the following business day with the same effect as if given as required hereby, and no interest shall accrue in the interim.

[End of Article VII]

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and behalf by the County Administrator and to be attested by the Clerk of the County Council; and the Company has caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

FOR ANDERSON COUNTY:

(SEAL)

Tommy Dunn, Chairman
Anderson County Council

ATTEST:

Lacey Croegaert
Anderson County Clerk to Council

[Signature Page 1 to Amended and Restated Fee in Lieu of Tax and Special Source Credit Agreement]

COI ANDERSON INDUSTRIAL, LLC
a South Carolina limited liability company

By: _____
Name: David M. Harrison
Its: Manager

[Signature Page 2 to Amended and Restated Fee in Lieu of Tax and Special Source Credit Agreement]

EXHIBIT A

LEGAL DESCRIPTION

All that piece, parcel or lot of land in Williamston Township, Anderson County, State of South Carolina, containing seventy-three (73) acres, more or less, lying and being on the north side of Highway #86 as shown on that certain plat prepared by B.F. Wigington, surveyor, dated March 19, 1941 and recorded in the Register of Deeds Office for Anderson County in Plat Book 15 at Page 105.

TMS#240-00-01-010-000

EXHIBIT B

INVESTMENT CERTIFICATION

I _____, the _____ of COI Anderson Industrial, LLC (the "**Company**"), do hereby certify in connection with Section 4.03 of the Amended and Restated Fee in Lieu of Tax and Special Source Credit Agreement dated as of _____, 2020 between Anderson County, South Carolina and the Company (the "**Agreement**"), as follows:

(1) The total investment made by the Company and any Sponsor Affiliates in the Project during the calendar year ending December 31, 20__ was \$_____.

(2) The cumulative total investment made by the Company and any Sponsor Affiliates in the Project from the period beginning _____, 20__ (that is, the beginning date of the Investment Period) and ending December 31, 20__, is \$_____.

All capitalized terms used but not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, I have set my hand this ____ day of _____, 20__.

Name: _____

Its: _____

EXHIBIT C

INFRASTRUCTURE INVESTMENT CERTIFICATION

I _____, the _____ of COI Anderson Industrial, LLC (the "**Company**"), do hereby certify in connection with Section 4.02 of the Amended and Restated Fee in Lieu of Tax and Special Source Credit Agreement dated as of _____, 2020 between Anderson County, South Carolina and the Company (the "**Agreement**"), as follows:

(1) As of the date hereof, the aggregate amount of Special Source Revenue Credits previously received by the Company and any Sponsor Affiliates is \$_____.

(2) As of December 31, 20____, the aggregate amount of investment in costs of Infrastructure incurred by the Company and any Sponsor Affiliates during the Investment Period is not less than \$_____.

(3) Of the total amount set forth in (2) above, \$_____ pertains to the investment in personal property, including machinery and equipment, at the Project. The applicable personal property, and associated expenditures, are listed below:

Personal Property Description

Investment Amount

All capitalized terms used but not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, I have set my hand this ____ day of _____, 20____.

Name: _____
Its: _____

ORDINANCE NO. 2020-030

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO A FEE-IN-LIEU OF *AD VALOREM* TAXES AGREEMENT BETWEEN ANDERSON COUNTY, SOUTH CAROLINA AND A COMPANY KNOWN TO THE COUNTY AS PROJECT AMMO TO PROVIDE FOR AN EXTENSION OF THE INVESTMENT PERIOD THEREIN AND A GRANT OF ADDITIONAL SPECIAL SOURCE REVENUE CREDITS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT TO PROVIDE FOR THE TRANSFER OF CERTAIN REAL PROPERTY LOCATED IN THE ALLIANCE INDUSTRIAL PARK FROM THE COUNTY TO PROJECT AMMO; APPROVING THE INCLUSION OF THE PROJECT IN A MULTI-COUNTY BUSINESS OR INDUSTRIAL PARK; AND OTHER RELATED MATTERS.

TITLE ONLY

Ordinance #2020-031

AN ORDINANCE TO AMEND CHAPTER 70, ARTICLE 5 OF THE ANDERSON COUNTY CODE OF ORDINANCE, TO INCLUDE NEW ZONING DISTRICT CLASSIFICATIONS AND ALSO TO AMEND SECTION 5:2 RESIDENTIAL AGRICULTURE DISTRICT SETBACKS.

WHEREAS, the County wishes to amend residential agriculture zoned district; and

WHEREAS, the Anderson County Planning & Public Works Committee has held a duly advertised Public Meeting on October 1, 2020, after which it reviewed the proposed amendment as described in Exhibit A, and recommended the proposed amendments to County Council; and

WHEREAS, the Anderson County Council wishes to amend Chapter 70, Article 5 of the Anderson County Code of Ordinance, attached hereto and incorporated herein as.

NOW, THEREFORE, be it ordained by Anderson County Council, in meeting duly assembled, that:

1. Chapter 70, Article 5 of the Anderson County Code of Ordinances is hereby amended to include the language attached hereto as Exhibit A.
2. The remaining terms and provisions of the Anderson County Code of Ordinances not revised or affected hereby remain in full force and effect.
3. Should any portion of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court or competent jurisdiction
4. All Ordinances, Orders, Resolutions, and actions of Anderson County hereby repealed, revoked, and rescinded.
5. This ordinance shall take effect and be in full force upon the Third Reading and Enactment by Anderson County Council.

ORDAINED in meeting duly assembled this _____ day of _____, 2020.

ATTEST:

ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert,
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon Harmon
Anderson County Attorney

1st Reading:

2nd Reading:

3rd Reading:

Public Hearing:

Exhibit A

Section 5:2. - R-A, Residential agricultural district.

Side yard. The minimum width of a residential side yard shall be 50 feet, except that any side yard abutting on a street or highway shall not be less than 20 feet in width.

Rear yard. The minimum depth of the rear yard shall be 50 feet.

Bufferyard requirements. Where a non-residential or subdivision abuts a residential property, an undisturbed bufferyard of 100 feet shall be required and maintained.

Section 5:2.1 - R-A2, Residential agricultural two-acre district.

The purpose of this district is to provide for a full range of agricultural activities in a rural setting. This district also provides for spacious residential development for those who choose this environment and prevents untimely scattering of more dense urban uses that should be confined to areas planned for efficient extension of public services.

Lot area. The minimum lot area shall be two acres.

Front yard. The minimum depth of the front yard measured from the street right-of-way line shall be 30 feet on a residential service street, 40 feet on a collector street, and 50 feet on an arterial street except when a right-of-way has not been established or is not known; then the setback shall be measured from the centerline of the existing road and each required setback shall be increased by a minimum of 25 feet. In the event an existing right-of-way exceeds 25 feet from the center of the road, the setback shall be measured from the right-of-way.

Side yard. The minimum width of a residential side yard shall be 50 feet, except that any side yard abutting on a street or highway shall not be less than 20 feet in width.

Rear yard. The minimum depth of the rear yard shall be 50 feet.

Bufferyard requirements. Where a non-residential or subdivision abuts a residential property, an undisturbed bufferyard of 100 feet shall be required and maintained.

Section 5:30. – RRD, Rural Residential District

The purpose of this district is to provide areas wanting to protect the rural nature of their community but allow for limited residential growth. The intent of this district is to allow for residential development in rural areas that wish to minimize the impact of dense residential development.

Lot area. The minimum lot area shall be three acres.

Front yard. The minimum depth of the front yard measured from the street right-of-way line shall be 30 feet on a residential service street, 40 feet on a collector street, and 50 feet on an arterial street except when a right-of-way has not been established or is not known; then the setback shall be measured from the centerline of the existing road and each required setback shall be increased by a minimum of 25 feet. In the event an existing right-of-way exceeds 25 feet from the center of the road, the setback shall be measured from the right-of-way.

Side yard. The minimum width of a residential side yard shall be 50 feet, except that any side yard abutting on a street or highway shall not be less than 20 feet in width.

Rear yard. The minimum depth of the rear yard shall be 50 feet.

Bufferyard requirements. Where a non-residential or subdivision abuts a residential property, an undisturbed bufferyard of 100 feet shall be required and maintained.

Section 5:31. - R-C, Residential Conservation District

The purpose of this district is to help preserve and enhance the character established residential neighborhoods. The district promotes compatible new construction within the district's built environment in order to strengthen and build upon those desirable physical features already existing.

Lot area. The minimum lot area shall be 33,000 square feet.

Front yard. The minimum depth of the front yard measured from the street right-of-way line shall be 20 feet on a residential service street, 40 feet on a collector street, and 50 feet on an arterial street except when a right-of-way has not been established or is not known; then the setback shall be measured from the centerline of the existing road and each required setback shall be increased by a minimum of 25 feet. In the event an existing right-of-way exceeds 25 feet from the center of the road, the setback shall be measured from the right-of-way.

Side yard. The minimum width of a residential side yard shall be 10 feet, except that any side yard abutting on a street or highway shall not be less than 20 feet in width.

Rear yard. The minimum depth of the rear yard shall be 10 feet.

Bufferyard requirements. Where a non-residential or subdivision abuts a residential property, an undisturbed bufferyard of 100 feet shall be required and maintained.

Section 5:31.2 Conservation Subdivision. Conservation subdivision with cluster design to have minimum lot sizes of 6000 sqft and side setbacks of minimum 6ft or 10% of lot width whichever is greater. Subdivision is required to preserve at least 20% of open green space. Green spaces can include natural features such as wetlands and streams, recreational areas such as playgrounds and ball fields, greenways, and landscaped areas. Percentage of open space cannot include required bufferyard. Developers are recommended to walk the property to determine which aspects of the property to preserve.

Section 5:32. – FA, Forest Agriculture District

The purpose of the district is to accommodate most agriculture uses and small-scale development in areas with limited or unavailable public infrastructure.

Lot area. The minimum lot area shall be five acres.

Front yard. The minimum depth of the front yard measured from the street right-of-way line shall be 30 feet on a residential service street, 40 feet on a collector street, and 50 feet on an arterial street except when a right-of-way has not been established or is not known; then the setback shall be measured from the centerline of the existing road and each required setback shall be increased by a minimum of 25 feet. In the event an existing right-of-way exceeds 25 feet from the center of the road, the setback shall be measured from the right-of-way.

Side yard. The minimum width of a residential side yard shall be 50 feet, except that any side yard abutting on a street or highway shall not be less than 20 feet in width.

Rear yard. The minimum depth of the rear yard shall be 50 feet.

Bufferyard requirements. Where a non-residential or subdivision abuts a residential property, an undisturbed bufferyard of 100 feet shall be required and maintained.

Section 5:33. – AG-C, Agriculture Conservation District

The purpose of this district is to protect and preserve areas under cultivation and prime agricultural soils for continued agricultural and agriculturally oriented uses and to protect the business of agriculture.

Lot area. The minimum lot area shall be five acres.

Front yard. The minimum depth of the front yard measured from the street right-of-way line shall be 30 feet on a residential service street, 40 feet on a collector street, and 50 feet on an arterial street except when a right-of-way has not been established or is not known; then the setback shall be measured from the centerline of the existing road and each required setback shall be increased by a minimum of 25 feet. In the event an existing right-of-way exceeds 25 feet from the center of the road, the setback shall be measured from the right-of-way.

Side yard. The minimum width of a residential side yard shall be 50 feet, except that any side yard abutting on a street or highway shall not be less than 20 feet in width.

Rear yard. The minimum depth of the rear yard shall be 50 feet.

Bufferyard requirements. Where a non-residential or subdivision abuts a residential property, an undisturbed bufferyard of 100 feet shall be required and maintained.

ORDINANCE NO. 2020-032

AN ORDINANCE TO AMEND ORDINANCE NO. 2018-011 RELATED TO THE ADDITION OF DIVISION 3 TITLED STANDARDS AND PROCEDURES FOR FRANCHISING OF PRIVATE AMBULANCE SERVICES SO AS TO ADD A NEW SECTION 30-87 TITLED OPERATION WITHIN THE COUNTY WITHOUT OBTAINING A FRANCHISE AND TO APPROPRIATELY RENUMBER SUCCEEDING SECTIONS; AND OTHER MATTERS RELATED THERETO.

WHEREAS, the County Council of Anderson County, South Carolina (the “County Council”), the governing body of Anderson County, South Carolina (the “County”) has the power and duty to provide for the general health, safety, and welfare of Anderson County;

WHEREAS, the County Council has determined that the provision of coordinated ambulance and emergency medical service, including non-emergency patient transport, is a public service, serves a public purpose, is within the governmental powers and interests of the County, and should be regulated and franchised by the County;

WHEREAS, the County has power under S.C. Code Ann. § 4-9-30(5) to regulate emergency providers and non-emergency ambulance services throughout the County, and to grant franchises to provider of such services on such terms as it deems necessary and appropriate to protect the interests of the public in having such services available, in compliance with State laws and regulations, and such other conditions and regulation as County Council shall enact from time to time;

WHEREAS, the County presently has a system for providing 911 emergency medical services through contract with certain providers of such services within a series of zones within the County; and

WHEREAS, the County, in reliance upon the powers granted to it by the State of South Carolina, deems it necessary to regulate the operation of private, non-emergency ambulance service operating within the County and to provide for the granting of non-exclusive franchises for such private, non-emergency ambulance services, the establishment of annual franchise fees, minimum standards of operation, the supervision and regulation of such providers, and the establishment of appeals procedures for appeal of decisions deemed adverse to any interested party, and the provision of penalties and the right of the County to seek injunctive relief in a proper case of violation of this Ordinance.

WHEREAS, the County Council desires to amend the Ordinance No. 2018-011 so as to add a penalty provision for operating within Anderson County without first obtaining a franchise.

NOW, THEREFORE, be it ordained by the County Council of Anderson County, South Carolina in meeting duly assembled that:

1. Ordinance No. 2018-011 is hereby amended so as to add a new Section 30-87 titled Operating Within the County Without Obtaining a Franchise and to appropriately renumber succeeding sections, which succeeding sections are not substantively changed, as follows:

Sec. 30-87. Operation within the County without obtaining a franchise.

Any ambulance service that fails to complete the Anderson County franchise process and/or fails to receive approval from the Anderson County Public Safety Committee to operate within the jurisdictional boundary of Anderson County shall be subject to the following system of fines:

- (a) First Occurrence: Written warning from the Anderson County EMS Department and an application packet for franchise request.
- (b) Second Occurrence: Written warning from the County Attorney.
- (c) Third Occurrence: \$1,500.00 fine.
- (d) Fourth Occurrence: \$3,000.00 fine.
- (e) Fifth Occurrence: \$4,500.00 fine.
- (d) Sixth Occurrence \$6,000.00 fine.
- (f) Seventh Occurrence \$7,500.00 fine.
- (h) Eighth Occurrence: \$9,000.00 fine.
- (i) Ninth Occurrence: \$10,000.00 fine.
- (j) All subsequent Occurrences: \$10,000.00 fine.

Renumber the succeeding sections without substantive change as follows:

30-88. No competition with county emergency medical service.

30-89. Nonprofit organizations

30-90 Indemnification of County.

30-91. Right of County to amend this franchise ordinance.

30-92. EEO Statement.

30-93. Assignment, change of control, effect of bankruptcy or insolvency.

30-94. Records and Reports.

30-95. Office in the County required.

30-96. Complaints.

30-97. Procedures for termination of a franchise.

30-98. Separability.

30-99. Regulations.

30-100. Right reserved to deny franchise.

2. The remaining terms and provisions of the Anderson County Code of Ordinances not revised or affected hereby remain in full force and effect.

3. Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination shall not affect the remainder of this Ordinance, all of which is hereby deemed separable.

4. All Ordinances, Orders, Resolutions, and actions of Anderson County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded.

5. This ordinance shall take effect and be in full force upon the Third Reading and Enactment by Anderson County Council.

ORDAINED in meeting duly assembled this _____ day of _____, 2020.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey A. Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

1st Reading: _____

2nd Reading: _____

3rd Reading: _____

Public Hearing: _____

RESOLUTION NO. R2020-022

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT BY AND BETWEEN ANDERSON COUNTY, SOUTH CAROLINA AND PROJECT MALIBU, WHEREBY, UNDER CERTAIN CONDITIONS, ANDERSON COUNTY WILL EXECUTE A FEE IN LIEU OF TAX AND SPECIAL SOURCE CREDIT AGREEMENT WITH RESPECT TO A PROJECT IN THE COUNTY WHEREBY THE PROJECT WOULD BE SUBJECT TO PAYMENT OF CERTAIN FEES IN LIEU OF TAXES, AND WHEREBY PROJECT MALIBU WILL BE PROVIDED CERTAIN CREDITS AGAINST FEE PAYMENTS IN REIMBURSEMENT OF INVESTMENT IN RELATED QUALIFIED INFRASTRUCTURE; AND PROVIDING FOR RELATED MATTERS.

WHEREAS, Anderson County, South Carolina (the “*County*”), acting by and through its County Council (the “*County Council*”), is authorized and empowered, under and pursuant to the provisions of Title 12, Chapter 44 (the “*FILOT Act*”), Code of Laws of South Carolina 1976, as amended (the “*Code*”), to enter into agreements with industry, to offer certain privileges, benefits and incentives as inducements for economic development within the County; to acquire, or cause to be acquired, properties as may be defined as “projects” in the Act and to enter agreements with the business or industry to facilitate the construction, operation, maintenance and improvement of such projects; to enter into or allow financing agreements with respect to such projects; and to accept any grants for such projects through which powers the industrial and business development of the State will be promoted, whereby the industry would pay fees-in-lieu-of taxes with respect to qualified projects; to provide credits against payment in lieu of taxes for reimbursement in respect of investment in certain infrastructure serving the County or the project, including improved or unimproved real estate and personal property, including machinery and equipment, used in the manufacturing or industrial enterprise (collectively, “*Infrastructure*”); through all such powers, the industrial development of the State of South Carolina (the “*State*”) will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain in the State and thus utilize and employ the manpower, products and resources of the State and benefit the general public welfare the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, Project Malibu (the “*Company*”) has requested that the County assist in the acquisition, construction and installation of land, buildings, improvements, fixtures, machinery, equipment, furnishings and other real and/or tangible personal property to its manufacturing and distribution facility in the County (collectively, the “*Project*”), which will result in expected investment by the Company in the Project of at least \$80,000,000 in non-exempt investment and the expected creation of approximately 131 new, full-time jobs (with benefits) in connection therewith, by December 31 of the fifth year after the first year which any portion of the Project is first placed in service; and

WHEREAS, the Company has requested that the County enter into a fee in lieu of tax agreement with the Company, thereby providing for certain fee in lieu of tax and special source credit incentives with respect to the Project, all as more fully set forth in the Inducement Agreement (as hereinbelow defined) attached hereto and made a part hereof; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Company that the Project would be a “project” and “economic development property” as such terms are defined in the FILOT Act and that the Project would serve the purposes of the FILOT Act; and

WHEREAS, the County has determined and found, on the basis of representations of the Company, that the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; that the Project will give rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either; that the purposes to be accomplished by the Project, *i.e.*, economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes; that the inducement of the location of the Project within the County and State is of paramount importance; and that the benefits of the Project will be greater than the costs; and the County has agreed to effect the delivery of an Inducement Agreement on the terms and conditions hereinafter set forth.

NOW, THEREFORE, BE IT RESOLVED, by the County Council as follows:

Section 1. Pursuant to the authority given to County Council by the South Carolina Constitution, the Code, and the FILOT Act, and subject to the enactment of required legislative authorizations by the County Council, and for the purpose of providing development incentives for the Project through the payment by the Companies of fees in lieu of taxes with respect to the Project pursuant to Section 12-44-40 of the Act, and for the purpose of providing for the provision special source credits against payments in lieu of taxes made by the Company pursuant to a Park Agreement in order to allow reimbursement to the company for a portion of its investment in qualified Infrastructure within the meaning and purposes of Section 4-29-68 of the Code, there is hereby authorized to be executed an Inducement Agreement between the County and the Company pertaining to the Project, the form of which is now before the County Council (the ***“Inducement Agreement”***) so as to establish, among other things, that the County and the Company will be parties to a fee in lieu tax and special source credit agreement (the ***“Fee Agreement”***).

Section 2. The provisions, terms and conditions of the Fee Agreement shall be prescribed and authorized by subsequent ordinance(s) of the County Council, which, to the extent not prohibited by law, shall be consistent with the terms of this Resolution.

Section 3. All orders, resolutions and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This resolution shall take effect and be in full force from and after its passage by the County Council.

Section 4. The authorization of the execution and delivery of the documents related to the Inducement Agreement and Fee Agreement and all other related documents or obligations of the County is subject to the compliance by the County Council with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions.

Section 5. It is the intention of the County Council that this resolution shall constitute an inducement resolution with respect to the Project, within the meaning of the FILOT Act.

DONE in meeting duly assembled this 6th day of October, 2020.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

INDUCEMENT AGREEMENT

THIS INDUCEMENT AGREEMENT (this "**Agreement**") made and entered into as of _____, ____ by and between **ANDERSON COUNTY, SOUTH CAROLINA**, a body politic and corporate and a political subdivision of the State of South Carolina (the "**County**"), and Project Malibu, a South Carolina limited liability company, its cosponsors, affiliates or its assigns (the "**Company**").

WITNESSETH:

ARTICLE I RECITATION OF FACTS

Section 1.1. As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

(a) The County, by and through its County Council, is authorized and empowered by the provisions of Title 12, Chapter 44 (the "**FILOT Act**") and Title 4, Chapter 1 the "**Multi-County Park Act**", Code of Laws of South Carolina 1976, as amended (the "**Code**"), to allow for the payment of certain fees in lieu of *ad valorem* taxes with respect to industrial properties; to issue special source revenue bonds, or in the alternative, to provide special source credits against payment in lieu of taxes for reimbursement in respect of investment in certain infrastructure serving the County or the project, including improved or unimproved real estate and personal property, including machinery and equipment, used in the manufacturing or industrial enterprise (collectively, "**Infrastructure**"); through all such powers the development of the State of South Carolina (the "**State**") will be promoted and trade developed by inducing new industries to locate in the State and by encouraging industries now located in the State to expand their investments and thus utilize and employ manpower and other resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally.

(b) The Company requested that the County assist in the acquisition, construction and installation of land, buildings, improvements, fixtures, machinery, equipment, furnishings and other real and/or tangible personal property to constitute a plastic product manufacturing facility in the County (collectively, the "**Project**"), which will result in an expected investment by the Company in the Project of at least \$80,000,000 (the "**Investment Target**") and the expected creation by the Company of at least 131 net new, full-time, jobs (with benefits) with respect thereto (the "**Jobs Creation Target**"), all by December 31 of the fifth year after the first year in which any portion of the Project is first placed in service (the "**Investment Period**").

(c) The County represents that the Company will be located in lands that are in the Multi-County Park Agreement between the County and Greenville County dated July 15, 2014 and will remain in such park for the duration of the Fee Agreement.

(c) The County has determined after due investigation that the Project would be aided by the availability of the assistance which the County might render through applicable provisions of the FILOT Act and the Multi-County Park Act as economic development incentives, and the inducements offered, will, to a great degree, result in the Project locating in the County. Pursuant to this determination, the Company and the County have agreed to negotiate for payments in lieu of *ad valorem* taxes as authorized by the FILOT Act, and the Company and the County have agreed as set forth in the Fee Agreement, pursuant to Section 4-1-175 of the Multi-County Park Act, that the Company would be afforded certain credits as described herein against its payments in lieu of taxes in respect of the Company's investment in qualified Infrastructure within the meaning and purposes of Section 4-29-68 of the Code.

(d) The County has given due consideration to the economic development impact of the Project, and as a preliminary matter, based on representations by the Company, hereby finds and determines that (i) the Project is anticipated to benefit the general public welfare of the County by providing service, employment, recreation or other public benefits not otherwise provided locally, (ii) the Project will give rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either, (iii) the purposes to be accomplished by the Project, i.e., economic development, retention of jobs, and addition to the tax base of the County, are proper governmental and public purposes, (iv) the inducement of the location of the Project within the County and State is of paramount importance and (v) the benefits of the Project will be greater than the costs. The County, therefore, has agreed to effect the issuance and delivery of this Agreement, pursuant to the FILOT Act, the Multi-County Park Act and a Resolution of the County Council dated _____, ____, and on the terms and conditions set forth.

ARTICLE II UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

Section 2.1. The County, subject to the limits set forth herein, agrees to enter into a Fee in Lieu of Tax and Special Sourced Credit Agreement with the Company with respect to the Project (the “*Fee Agreement*”).

Section 2.2. The Fee Agreement will be executed at such time and upon such mutually acceptable terms as the Company shall request, subject to the provisions of Sections 2.7 and 4.2 herein.

Section 2.3. The terms and provisions of the Fee Agreement shall be substantially in the form generally utilized in connection with the FILOT Act, as to be agreed upon by the County and the Company. The Fee Agreement shall contain, in substance, the following provisions:

(a) The term of the Fee Agreement will be for a period of thirty (30) years, commencing with the first year of the capital investment made under the Fee Agreement.

(b) The Fee Agreement shall provide that, in the performance of the agreements contained therein on the part of the County, such agreement will not give rise to any pecuniary liability of the County and shall not create a charge against the general credit or taxing power of the County, the State or any incorporated municipality.

(c) The Fee Agreement shall contain a provision requiring the Company to make payments in lieu of taxes to the County for a period of thirty (30) years after each year of the capital investment made under the Fee Agreement during the Investment Period. The amounts of such payments shall be determined by using (i) an assessment ratio of 6%; (ii) a fixed millage rate of 320.5 mills (that is, the cumulative millage rate in effect at the site of the Project for all taxing entities as of June 30, 2021); and (iii) the fair market value of the Project property as determined by the South Carolina Department of Revenue in accordance with the FILOT Act. For purposes of computing the amount of such fee, in accordance with the terms of Section 12-44-50(2) of the FILOT Act, the property shall be allowed all applicable property tax exemptions except the exemption allowed under Section 3(g) of Article X of the Constitution of the State of South Carolina and the exemptions allowed pursuant to Sections 12-37-220(B)(32) and (34) of the Code.

(d) The Company may dispose of and replace property subject to fee in lieu of tax payments, as set forth in Section 12-44-60 of the FILOT Act; the fee with respect to such replacement property shall be calculated in accordance with the provisions of said Section 12-44-60.

Section 2.4. The County hereby consents to the planning, design, acquisition, construction and carrying out of the Project to commence prior to the execution and delivery of the Fee Agreement. Contracts for construction and for purchase of machinery, equipment and personal property deemed necessary under the Fee Agreement or that are otherwise permitted under the FILOT Act may be let by the Company, in its sole discretion.

Section 2.5. Pursuant to Section 4-1-175 of the Multi-County Park Act, the County, subject to the limits set forth herein, including Sections 2.7 and 4.2 hereof and pursuant to the Fee Agreement, will provide a special source credit against payments in lieu of taxes by the Companies pursuant to the Park Agreement or the Fee Agreement, as the case may be, to reimburse the Company in respect of its investment in Infrastructure pertaining to the Project. In these respects, the Company shall be entitled to claim a special source credit equal to (i) 80% of each year's payments in lieu of taxes pursuant to the Park Agreement (the "Pilot Payment") for each of the first five years of fee in lieu of tax payments, (ii) 60% of each years for years 6 through 10 of the Pilot Payments, and (iii) 50% of the Pilot Payment for the remaining term of the Fee Agreement with each special source credit to be calculated and applied after any amount due the non-host county(ies), with respect to the Project (that is, with respect to investment made by the Company under the Fee Agreement during the Investment Period) for twenty (20) consecutive years. Provided, if either the Investment Target or the Jobs Creation Target are not in place within the five years of the first year of investment of economic investment property subject to the Fee Agreement, the special source credit shall be reduced to 40% for the remaining term. However, if the Investment Target and the Jobs Creation Target are obtained by December 31 of the seventh year of the Fee Agreement, the special source credit shall return to 60% the then remaining years until the 10th year and 50% for the remaining term. The Company shall not be entitled to any recapture of credits during the 6th and 7th year of this limitation is enacted.

Notwithstanding anything herein to the contrary, under no circumstances shall the Company be entitled to claim or receive any abatement of *ad valorem* taxes for any portion of investment in the Project for which a special source credit is taken.

In no event shall the aggregate amount of any special source credits claimed by the Company exceed the amount expended by it with respect to the Infrastructure at any point in time.

Section 2.5. Subject to the matters contained herein, the Fee Agreement will be executed at such time and upon such mutually acceptable terms as the parties shall agree.

Section 2.6. Notwithstanding anything in this Agreement to the contrary, the authorization by the County of the Fee Agreement is subject to compliance by the County with the provisions of the Home Rule Act regarding the enactment of ordinances and shall not constitute a general obligation or indebtedness of the County nor a pledge of the full faith and credit or the taxing power of the County. Further, the County will perform such other acts and adopt such other proceedings, consistent with this Agreement, as may be required to faithfully implement this Agreement and will assist, in good faith and with all reasonable diligence, with such usual and customary governmental functions as will assist the successful completion of the Project by the Company. The County has made no independent legal or factual investigation regarding the particulars of this Agreement or the transaction contemplated hereunder and, further, executes this Agreement in reliance upon the representations by the Company that the Agreement and related documents comply with all laws and regulations, particularly those pertinent to industrial development projects in the State.

Section 2.7. Should the Company fail to collectively invest at least \$45,000,000 in connection with the Project, by the end of the Investment Period, the Company shall be liable for the difference between the amount of payments in lieu of taxes actually paid pursuant to the Fee Agreement (taking into account all infrastructure credits actually received) and the amount of *ad valorem* taxes which would have been due and payable with respect to the Project had the Fee Agreement not been entered into, with interest at the rate payable for late payment of taxes. Any amounts determined to be owing pursuant to the foregoing sentence shall be payable to the County on or before the one hundred twentieth (120th) day following the last day of the Investment Period.

ARTICLE III UNDERTAKINGS ON THE PART OF THE COMPANY

Section 3.1. Except with respect to the Fee Agreement, the County will have no obligation to assist the Company in finding any source of financing for all or any portion of the property constituting the Project and the Company may endeavor to finance the Project to the extent required to finance the cost of the acquisition and installation of the Project.

Section 3.2. If the Project proceeds as contemplated:

(a) The Company agrees to enter into the Fee Agreement, under the terms of which it will obligate themselves to make the payments required by the FILOT Act including, but not limited to, payments in lieu of taxes at rates calculated in accordance with Section 2.3(c) hereof;

(b) With respect to the Project, the Company agrees to reimburse the County for all out-of-pocket costs, including reasonable attorney's fees of the County actually incurred, and other out-of-pocket expenditures to third parties to which the County might be reasonably put with regard to executing and entering into this Agreement and the Fee Agreement;

(c) The Company agrees to hold the County harmless from all pecuniary liability including, without limitation, environmental liability, and to reimburse the County for all expenses to which the County might be put in the fulfillment of its obligations under this Agreement and in the negotiation and implementation of its terms and provisions, including reasonable legal expenses and fees;

(d) The Company agrees to apply for, and use commercially reasonable efforts to obtain, all permits, licenses, authorizations and approvals required by all governmental authorities in connection with the construction and implementation of the Project;

(e) The Company agrees to indemnify, defend and hold the County and the individual members, officers, agents and employees thereof harmless against any claim or loss or damage to property or any injury or death of any person or persons occurring in connection with the planning, design, acquisition, construction, leasing, carrying out or operation of the Project, including without limitation any environmental liability. The defense obligation shall be supplied with legal counsel reasonably acceptable to the County. The Company agrees also agrees to reimburse or otherwise pay, on behalf of the County, any and all expenses not hereinbefore mentioned incurred by the County in connection with the Project, including the review and execution of the Resolution and this Agreement; and

(f) The Company agrees to use commercially reasonable efforts to meet, or cause to be met, the Investment Target and the Jobs Creation Target during the Investment Period.

ARTICLE IV GENERAL PROVISIONS

Section 4.1. All commitments of the County under Article II hereof are subject to all of the provisions of the FILOT Act and the Multi-County Park Act, including, without limitation, the condition that nothing contained in this Agreement shall constitute or give rise to a pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing powers of either.

THIS AGREEMENT AND THE SPECIAL SOURCE CREDITS PROVIDED FOR HEREUNDER ARE LIMITED OBLIGATIONS OF THE COUNTY PROVIDED BY THE COUNTY SOLELY FROM THE NET FEE PAYMENTS RECEIVED AND RETAINED BY THE COUNTY, AND DOES NOT AND SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION (OTHER THAN THE PROVISIONS OF ARTICLE X, SECTION 14(10) OF THE SOUTH CAROLINA CONSTITUTION) OR STATUTORY LIMITATION, AND DOES NOT AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. THE FULL FAITH, CREDIT, AND TAXING POWER OF THE COUNTY ARE NOT PLEDGED FOR THE SPECIAL SOURCE CREDITS.

Section 4.2. All commitments of the County and the Company hereunder are subject to the condition that the County and the Company agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions hereof, and the adoption by the County Council of an ordinance authorizing the execution and delivery of such documents and approving the terms thereof. If the parties enter into the Fee in Lieu of Tax [and Special Source Credit] Agreement, each party shall perform such further acts and adopt such further proceedings as may be required to faithfully implement its undertakings pursuant to such agreements.

Section 4.3. If for any reason this Agreement (as opposed to the Fee in Lieu of Tax and Special Source Credit Agreement, which are contemplated to be negotiated, signed and delivered subsequent to the execution and delivery of this Agreement) is not executed and delivered by the Company on or before December 31, 2020, the provisions of this Agreement may be cancelled by the County by delivery of written notice of cancellation signed by the County Administrator and delivered to the Company; thereafter neither party shall have any further rights against the other and no third parties shall have any rights against either party except that the Company shall pay the out-of-pocket expenses to third parties of officers, agents and employees of the County and counsel for the County incurred in connection with the authorization and approval of the Fee Agreement.

Section 4.4. The parties understand that the Company may choose not to proceed with the Project, in which event this Agreement shall be cancelled and, subject to parties' obligations described in Section 4.3 hereof, neither party shall have any further rights against the other, and no third party shall have any rights against either party.

Section 4.5. To the maximum extent allowable under the FILOT Act and the Multi-County Park Act, the Company may, with the prior consent of the County (which shall not be unreasonably withheld), assign (including, without limitation, absolute, collateral, and other assignments) all or part of their rights and/or obligations under this Agreement to one or more other entities, in connection with the Fee Agreement, without adversely affecting the benefits to the Company or its assignees pursuant hereto or pursuant to the FILOT Act or the Multi-County Park Act; provided, however, that the Company may make any such assignment to an affiliate of the Company without obtaining the consent of the County, to the extent permitted by law.

Section 4.6. This Agreement may not be modified or amended except by a writing signed by or on behalf of all parties by their duly authorized officers and approved by appropriate legal process. No amendment, modification, or termination of this Agreement, and no waiver of any provisions or consent required hereunder shall be valid unless consented to in writing by all parties.

Section 4.7. Nothing in this Agreement or any attachments hereto is intended to create, and no provision hereof should be so construed or interpreted as to create any third party beneficiary rights in any form whatsoever nor any form of partnership or other legal entity relationship between the County and the Companies.

Section 4.8. This Agreement constitutes the entire agreement between the parties regarding the matters set forth herein. This Agreement shall be interpreted by the laws of the State.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Inducement Agreement on the respective dates indicated below, as of the date first above written.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

[SIGNATURE PAGE 1 OF INDUCEMENT AGREEMENT]

PROJECT MALIBU

By: _____
Name: _____
Title: _____

[SIGNATURE PAGE 2 OF INDUCEMENT AGREEMENT]

STATE OF SOUTH CAROLINA

COUNTY OF ANDERSON

I, the undersigned Clerk to County Council of Anderson County, South Carolina, do hereby certify that attached hereto is a true, accurate and complete copy of a resolution which was adopted by the County Council at its meeting of October 6, 2020, at which meeting a quorum of members of the County Council were present and voted, and an original of which resolution is filed in the permanent records of the County Council.

Lacey Croegaert
Anderson County Clerk to Council

Dated: _____, 2020__

RESOLUTION R2020-023

A RESOLUTION (1) INDUCING BMW MANUFACTURING CO., LLC (THE "COMPANY") TO MAKE CERTAIN INVESTMENT IN ANDERSON COUNTY, SOUTH CAROLINA (THE "COUNTY"); (2) AUTHORIZING, UNDER CERTAIN CONDITIONS, THE ENTERING INTO OF A FEE-IN-LIEU OF TAXES AGREEMENT BY AND BETWEEN THE COUNTY AND THE COMPANY IN THE EVENT OF SUCH INVESTMENT; AND (3) AUTHORIZING OTHER MATTERS RELATED THERETO.

WHEREAS, Anderson County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized by Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the "FILOT Act"): (i) to enter into a fee agreement with companies meeting the requirements of such FILOT Act, which identifies certain property of such companies as economic development property, to induce such companies to locate in the State of South Carolina (the "State") and to encourage companies now located in the State to expand their investments and thus make use of and employ manpower and other resources of the State; and (ii) to covenant with such companies to accept certain fee-in-lieu of *ad valorem* tax ("FILOT") payments with respect to a project;

WHEREAS, the County is presently recruiting an investment in the County by BMW Manufacturing Co., LLC, a Delaware limited liability company authorized to transact business in the State (the "Company") in the form of new or additional investments in machinery, equipment and/or other personal property for the purpose of assembling or manufacturing automobiles and/or motorcycles and/or parts thereof, and all activities related thereto, all to be located in the County (the "Project");

WHEREAS, on the basis of the information supplied to the County by the Company, the Project is expected to provide significant economic benefits to the County and surrounding areas; and

WHEREAS, the Council, in order to induce the Company to locate the Project in the County, intends to commit to the Company that the Council will take certain actions and provide certain incentives, including entering into a FILOT agreement providing certain benefits to the Company, if the Company locates the Project in the County.

NOW, THEREFORE, BE IT RESOLVED by the Council that:

1. If the Company locates the Project in the County, the Council, upon request by the Company, hereby agrees to enter into one or more agreements under the FILOT Act, which arrangement will, pursuant to a FILOT agreement, and under certain conditions, provide the Company with certain FILOT benefits allowed under the FILOT Act as generally described herein.

2. Pursuant to the FILOT Act and particularly Section 12-44-40(H) thereof, and based solely on information supplied to the County by the Company, the Council has made and hereby makes the following findings:

(a) The Project will subserve the purposes of the FILOT Act;

(b) It is anticipated that the Project will benefit the general public welfare of the County by providing services, employment and other public benefits not otherwise adequately provided locally;

(c) The purposes to be accomplished by the Project are proper governmental and public purposes;

(d) The benefits of the Project to the public are greater than the costs to the public;
and

(e) Neither the Project nor any documents or agreements entered into by the County in connection therewith give rise to or will give rise to any pecuniary liability of the County or incorporated municipality or to any charge against their general credit or taxing power.

3. The Council agrees to enter into and execute necessary and proper agreements and other documents under the FILOT Act to implement the provisions of this Resolution and such other provisions as the Company may reasonably request consistent with this Resolution and the FILOT Act, including, but not limited to, a fee agreement whereby the Company will agree to make certain investments in the Project required by the FILOT Act and, under certain conditions, the County will agree to accept certain FILOT payments with respect to the Project (the "Fee Agreement"). To the extent permitted by the FILOT Act, the Fee Agreement shall provide the Company an assessment ratio of 6% for Project property and the millage rate for Project property for FILOT purposes shall be fixed for the full term of the Fee Agreement and shall be the lower of the cumulative property tax millage rate levied on behalf of all taxing entities within which the Project is to be located on either (i) June 30 of the calendar year preceding the year in which the Fee Agreement is executed, or (ii) June 30 of the calendar year in which the Fee Agreement is executed.

4. The Council agrees that the Company shall be entitled to the benefits allowable under the FILOT Act with respect to the disposal and replacement of Project property.

5. To the extent permitted by the FILOT Act, the County agrees to waive the recapitulation requirements set forth in the FILOT Act.

6. This Resolution shall constitute action reflecting and identifying the Project for purposes of the FILOT Act with respect to the Company.

7. All commitments of the County and the Company contemplated by this Resolution are mutually dependent, each on the other, and are subject to the condition that the County and the Company agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions of this Resolution.

8. All commitments of the County herein are subject to all of the provisions of the Code of Laws of South Carolina, 1976, as amended, the FILOT Act, and other laws of general State and local application, including, without limitation, the condition that nothing contained in this Resolution or the Fee Agreement shall constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

9. The execution and delivery of the Fee Agreement to be entered into between the County and the Company in order to effect the incentive arrangements as provided herein is subject to adoption by the Council of an ordinance authorizing the same and, in conjunction therewith, compliance with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances.

10. All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This Resolution shall take effect and be in full force upon approval and adoption by the Council.

APPROVED AND ADOPTED IN A MEETING DULY ASSEMBLED THIS 6TH DAY OF OCTOBER, 2020.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

RESOLUTION NO. R2020-024

A RESOLUTION TO AUTHORIZE THE COUNTY ADMINISTRATOR TO EXECUTE A LEASE AGREEMENT WITH THE UNITED STATES ARMY CORPS OF ENGINEERS (“COE”) FOR THE ASBURY PARK SITE ON LAKE HARTWELL LOCATED AT THE END OF ASBURY PARK ROAD FOR REDEVELOPMENT BY A PRIVATE ENTITY THROUGH A SUBLEASE WITH ANDERSON COUNTY; AND OTHER MATTERS RELATED THERETO.

WHEREAS, the COE as part of its working relationship with the public and with local governments can offer use of certain Lake Hartwell Shoreline properties through lease agreements;

WHEREAS, the Asbury Park site was a campground on Lake Hartwell that is now in a state of disrepair;

WHEREAS, Anderson County, through its Economic Development Department, is involved in negotiation of a lease agreement with the COE which is designated a Public Recreation Area by COE for redevelopment of the campground area;

WHEREAS, Anderson County has issued an RFP for sublease of the Asbury Park Area for redevelopment by a private entity which will be subject to all applicable COE and County building fees, permits, rules, regulations, ordinances and laws;

WHEREAS, the RFP process resulted in a proposal from Lake Hartwell Development Group, LLC interested in a sublease to redevelop the Asbury Park Area and this proposal has been discussed with the COE;

WHEREAS, the County is now in the process of negotiation of a lease agreement with the COE for the Asbury Park Area;

WHEREAS, this approach will allow the County further development of a valuable Anderson County resource and facilitate the beneficial and environmentally sound development of the Asbury Park Area.

NOW THEREFORE, be it resolved by Anderson County Council in meeting duly assembled that:

1. The County Administrator is hereby authorized to execute any and all documents with the United States Army Corps of Engineers to obtain a long term lease of the Asbury Park Site on Lake Hartwell and to negotiate a sublease on Lake Hartwell and to negotiate a sublease with Lake Hartwell Development Group, LLC which, upon completion of the negotiation process and approval by the COE, will come before the County Council for approval.

2. All orders and resolutions in conflict herewith are, to the extent of such conflict only, repealed and rescinded.

3. Should any part or portion of this resolution be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such finding shall not affect the remainder hereof, all of which is hereby deemed separable.

4. This resolution shall take effect and be in force immediately upon enactment.

RESOLVED this 6th day of October, 2020, in meeting duly assembled.

ATTEST:

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman
Anderson County Council

Lacey A. Croegaert
Anderson County Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

RESOLUTION NO.: R2020-025

A RESOLUTION TO AUTHORIZE THE COUNTY ADMINISTRATOR TO NEGOTIATE AND EXECUTE WITH THE UNITED STATES ARMY CORPS OF ENGINEERS A LONG TERM LEASE OF THE RIVER FORKS RECREATION AREA AND THE WELDON ISLAND DAY USE AREA, BOTH LOCATED ON LAKE HARTWELL; AND OTHER MATTERS RELATED THERETO.

WHEREAS, the United States Army Corps of Engineers (“COE”) currently manages a large number of recreational areas at its Lake Hartwell Project, including campgrounds, large day use areas, and smaller boat/ramps/access areas;

WHEREAS, budget constraints and increased operations costs for those recreational areas have made it increasingly difficult for the COE to maintain such a large footprint on Lake Hartwell;

WHEREAS, the COE has contacted Anderson County regarding a lease of the River Forks Recreation Area and the Weldon Island Day Use Area; and

WHEREAS, these facilities would allow the County to further develop recreational opportunities for its citizens on Lake Hartwell, a valuable Anderson County resource.

NOW, THEREFORE, be it resolved by Anderson County Council in meeting duly assembled that:

1. The County Administrator is hereby authorized to negotiate with the COE and execute any and all documents related to obtaining a long term lease of the River Forks Recreation Area and the Weldon Island Day Use Area to be operated by the County Parks, Recreation and Tourism Division.
2. All orders and resolutions in conflict herewith are, to the extent of such conflict only, repealed and rescinded.



MEMORANDUM

ADMINISTRATOR'S OFFICE

DATE: 9/30/2020

TO: **RUSTY BURNS**
County Administrator

FROM: **STEVE NEWTON**
Governmental Affairs

CC: **MATT HOGAN** **LACEY CROEGAERT**
Roads & Bridges Manager Clerk to Council

SUBJECT: **ITEM FOR COUNCIL AGENDA**
Norbert Lane Resurfacing

Staff requests Council approval to resurface Norbert Lane, located in the Gluck Mill community. This is an existing county-owned gravel road for which an asphalt surface is desired.

In the past couple of years, a developer has constructed four single family dwelling units on this road with one more under construction. These are owner-occupied homes that have a value range that is affordable for households with annual earnings between \$30,000 and \$40,000 (\$14.42-\$19.23 per hour).

There are several vacant lots along this road that can be developed, and staff feels that paving this road will help encourage construction of more owner-occupied housing units that are attainable for working families.

A memo and estimate from Mr. Hogan are attached.

Tommy Dunn
Chairman, District 5

Craig Wooten
Council District 1

Ray Graham
Council District 3

Cindy Wilson
Council District 7

ANDERSON COUNTY
SOUTH CAROLINA

Brett Sanders
V. Chairman, District 4

Gracie Floyd
Council District 2

Jimmy Davis
Council District 6

Lacey Croegaert
Clerk to Council

Rusty Burns | County Administrator
rburns@andersoncountysc.org

RESURFACING SURVEY AND ESTIMATE

Task

Date

Road Number C-15-0082 A

Name Norbert Lane

From Winfield Drive

To Corning Street

Length - Feet 1223

Alt Length

Total Length 1223

Shoulder Width Ft

Classification

Council District 5

Subdivision Calhoun Hills

Road # S-4-676

Road # C-15-0033 A

Road Width Feet 16

Alternate Wide

Municipality

Requested By Tommy Dunn

Telephone No

Inspector: Jonathan Fox

Checked by x Odometer
DMI

- 2 secondary/major thoroughfare
x 3 tertiary/local roads

UTILITIES

SEWER YES NO

WATER YES NO

ELECTRIC YES NO

GAS YES NO

Entrances

Roads

4-Way Intersections

Driveways

Driveways, Concrete

Cul-de-Sac

Commercial Drives

Surface Type

1 Concrete

2 Asphalt

3 T&G

x 4 Gravel

5 Dirt

6 Combination

Shoulder Type

1 paved

2 gravel

x 3 sod

4 other (curb/gutter, etc.)

5 none

Handicap Ramps

Qty

Each

Dollars

\$1,000.00 \$0

Date

Traffic

Count

Index

0

OVERALL PAVEMENT RATING		
Very Good	→	1
New or near perfect condition		
Good	→	2
Surface adequate with normal maintenance		
Fair	→	3
Limited failures and barely adequate Maintenance will be higher than normal to prevent continued deterioration		
Poor	→	4
Considerable failures and disintegration beyond practical limits of normal maintenance		

3

Recommendation

x Asphalt entire road

Asphalt From

Don't Asphalt

Tar & Gravel entire road

CALCULATIONS

	Qty	Unit Price	Extension
Full-Depth Patching Required			
4" Square Yards		\$31.04	\$0
6" Square Yards		\$38.88	\$0
Leveling			
Tons needed			\$0
Resurfacing:			
Tons Intermediate	250	\$87.92	\$21,980
Ton: Surface Course	250	\$87.92	\$21,980
Entrances:			
Tons DWS	20		\$1,758
Tons Entrance	0		\$0
Tons Cul-de-Sac	0		\$0
Commer DW	0		\$0

Paint Lines Needed:

LF of 4" Yellow Centerline

LF of 4" White Edgelines

LF of 6" White Edgelines

Reflectors Needed:

Number Needed:

Single-Treatment Needed:

Sq Yards Needed

Fog-seal Needed:

Sq Yards Needed

Milling Needed:

Sq Yards Needed

Crack Seal Needed:

Sq Yards Needed

Road Testing:

Qty	Price	Extension
	\$0.17	\$0
	\$0.17	\$0
	\$0.22	\$0
	\$6.45	\$0
	\$2.02	\$0
	\$0.76	\$0
	\$2.53	\$0
	\$0.35	\$0
270	\$1.00	\$270

Qty	Price	Extension
TP Railroad Crossing:		
White		\$0
TP Paint Arrows Combo:		
White	\$250.00	\$0
TP Paint Arrow, Single:		
White	\$200.00	\$0
24" TP Lines Needed:		
White	\$16.50	\$0
4" TP Lines Needed:		
Yellow	\$0.65	\$0
White	\$0.65	\$0
8" TP Lines Needed:		
Yellow	\$6.00	\$0
White	\$6.00	\$0
12" TP Crosswalk Needed:		
White	\$8.00	\$0

Cost → **\$45,988**

0.50 a ton

Remarks: Needs grading of existing gravel and additional gravel added if necessary 100 tons should be sufficient. Adding \$1400.00 for crusher run and \$2000.00 for grading. Bringing total to approx \$49,388.00

Paving History: Gravel Road

OCI

ALTERNATE

\$0

FDP

SY

\$0

0

Leveling

Tons

\$0

0

ST

SY

\$0

0

Paint

\$0

**PUBLIC NOTICE
PLANNING & PUBLIC WORKS COMMITTEE
ANDERSON COUNTY COUNCIL**

On Wednesday, September 16th at 6:00 p.m., the Planning and Public Works Committee of the Anderson County Council will host a public discussion of minimum lot size regulations and other topics related to the county's land use and development standards. The meeting will take place at the Civic Center of Anderson. All COVID-related safety protocols will be observed.

The public is invited to attend. For further information call Alesia Hunter, Anderson County Development Standards Manager, at 260-4719.



**ANDERSON
COUNTY**
SOUTH CAROLINA

**AGENDA
LAND USE AD-HOC COMMITTEE MEETING
October 1, 2020 at 6:00 PM
Anderson County Civic Center
3027 Martin Luther King Jr. Blvd.**

Tommy Dunn
Chairman
Council District 5

Brett Sanders
Vice Chairman
Council District 4

Craig Wooten
Council District 1

Gracie S. Floyd
Council District 2

Ray Graham
Council District 3

Jimmy Davis
Council District 6

M. Cindy Wilson
Council District 7

Lacey A. Croegaert
Clerk to Council

Rusty Burns
County Administrator

1. **CALL TO ORDER:**
2. **INVOCATION AND PLEDGE OF ALLEGIANCE:** Mr. Brett Sanders
3. **DISCUSSION ON LOT SIZES:**
4. **DISCUSSION ON CONSERVATION SUBDIVISIONS:**
5. **DISCUSSION ON ZONING CHANGES:**
6. **NEW SUGGESTIONS:**
7. **CITIZENS COMMENTS:** Agenda Matters only
8. **REMARKS FROM COUNCIL:**
9. **ADJOURNMENT:**

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures in order to participate in this program, service or activity please contact the office of the program, service or activity as soon as possible but no later than 24 hours before the scheduled event.

**RECREATION FUND APPROPRIATIONS
APPLICATION FORM**

WHAT DISTRICT(S) ARE YOU REQUESTING FUNDING FROM:

DISTRICT: 2

Mail/Email to:
Anderson County Council Clerk
P. O. Box 8002
Anderson, SC 29622
lacroegaert@andersoncountysc.org

1. Name of entity requesting recreation fund appropriation:

The POTTER'S HOUSE RESTORATION MINISTRIES, INC dba MADD TALENT

2. Amount of request (If requesting funds from more than one district, annotate amount from each district): \$2,000⁰⁰

3. The purpose for which the funds are being requested:

Seed money for acquisition of musical instruments

4. Is the entity a non-profit corporation in good standing with the South Carolina Secretary of State? If so, please attach evidence of that good standing. Yes

5. Contact Person: Linda Faye Pickens % LYNDONS Academy of the Arts
Mailing Address: 512 N Murray Ave Anderson, SC 29625
Phone Number: 602-777-2570
Email: LYNDONSACADEMY@gmail.com

6. Statement as to whether the entity will be providing matching funds:

No

I certify that the forgoing is true and accurate to the best of my knowledge and that I am authorized to make this application on behalf of the above named entity.

Linda Faye Pickens
Signature

Linda Faye Pickens
Print Name

10-1-20
Date

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: DEC 21 2007

THE POTTERS HOUSE RESTORATION
MINISTRIES INC
C/O LINDA FAYE PICKENS
PO BOX 2825
ANDERSON, SC 29622

Employer Identification Number:
20-2600451
DLN:
17053191033007
Contact Person:
CARA D FRANCZAK ID# 31452
Contact Telephone Number:
(877) 829-5500

Accounting Period Ending:
December 31
Public Charity Status:
170(b)(1)(A)(vi)
Form 990 Required:
Yes
Effective Date of Exemption:
March 30, 2005
Contribution Deductibility:
Yes
Advance Ruling Ending Date:
December 31, 2009
Addendum Applies:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

Department of the Treasury
Internal Revenue Service

for Tax-Exempt Organization not Required to File Form 990 or 990-EZ

2019

Open to Public Inspection

A For the 2019 Calendar year, or tax year beginning 2019-01-01 and ending 2019-12-31

B Check if available

☐ Terminated for Business☒ Gross receipts are normally \$50,000 or lessC Name of Organization: POTTERS HOUSE RESTORATION
MINISTRIES INCORPORATED512 N Murray Ave.
Anderson, SC, US, 29625D Employee Identification
Number 20-2600451

E Website:

F Name of Principal Officer: Linda Faye Pickens
512 N Murray Ave.
Anderson, SC, US, 29625

Privacy Act and Paperwork Reduction Act Notice: We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

The organization is not required to provide information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of the Form 990-N is covered in code section 6104.

The time needed to complete and file this form and related schedules will vary depending on the individual circumstances. The estimated average times is 15 minutes.

Note: This image is provided for your records only. Do Not mail this page to the IRS. The IRS will not accept this filing via paper. You must file your Form 990-N (e-Postcard) electronically.

THE POTTER'S HOUSE RESTORATION MINISTRIES, INCORPORATED

512 NORTH MURRAY AVENUE

ANDERSON, SC 29625

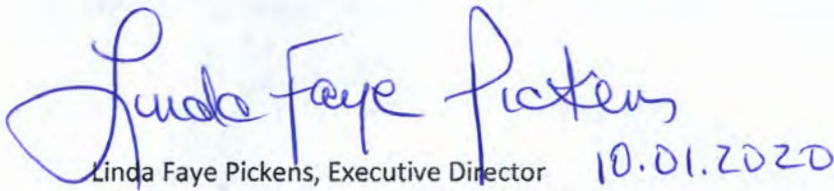
(864) 540-8573

Thank you for your generous donation to The Potter's House Restoration Ministries, Inc dba MADD Talent.

As a community service organization, your donation helps fund programs and services to youth in the Anderson County community.

The Potter's House is a 501-C-3 and confirms that you received no goods or services in exchange for this contribution and that your gift is fully tax deductible.

The Potter's House is unable to place a monetary value on your donations.



Linda Faye Pickens, Executive Director
The Potter's House Restoration Ministries, Inc.
512 N Murray Avenue
Anderson, SC 29625

Business Entities Online

File, Search, and Retrieve Documents Electronically

THE POTTER'S HOUSE RESTORATION MINISTRIES, INC.

Corporate Information

Entity Type: Nonprofit

Status: Good Standing

Domestic/Foreign: Domestic

Incorporated South Carolina
State:

Important Dates

Effective Date 03/30/2005

:

Expiration N/A
Date:

Term End N/A
Date:

Dissolved N/A
Date:

Registered Agent

Agent: LINDA FAYE PICKENS

Address: 417 EAST ORR STREET
ANDERSON, South Carolina 29621

Official Documents On File

Filing Type	Filing Date
Incorporation	03/30/2005

**RECREATION FUND APPROPRIATIONS
APPLICATION FORM**

WHAT DISTRICT(S) ARE YOU REQUESTING FUNDING FROM:

DISTRICT: 06

Mail/Email to:
Anderson County Council Clerk
P. O. Box 8002
Anderson, SC 29622
lacroegaert@andersoncountysc.org

1. Name of entity requesting recreation fund appropriation:
YMCA of Easley, Pickens, & Powdersville (Y mentor program)
2. Amount of request (If requesting funds from more than one district, annotate amount from each district):
\$ 2,500
3. The purpose for which the funds are being requested:
Y mentor Program - support funds for this program for 2020-2021 school year.
4. Is the entity a non-profit corporation in good standing with the South Carolina Secretary of State? If so, please attach evidence of that good standing.
See attachment
5. Contact Person: Gina Horn
Mailing Address: 201 Burns Rd. Easley, SC 29640
Phone Number: 864-306-4124
Email: ginahorn@pcymca.net
6. Statement as to whether the entity will be providing matching funds:
no matching funds

I certify that the forgoing is true and accurate to the best of my knowledge and that I am authorized to make this application on behalf of the above named entity.

Gina B. Horn

Signature

Gina B. Horn

Print Name

9-15-2020

Date



State of South Carolina
Office of the Secretary of State
The Honorable Mark Hammond

4/8/2020

Pickens County Young Mens Christian Association
Ms Christy L Stancil
201 Burns Rd.
Easley, SC29640

RE: Registration Confirmation

Charity Public ID: P643

Dear Ms Christy L Stancil :

This letter confirms that the Secretary of State's Office has received and accepted your Registration, therefore, your charitable organization is in compliance with the registration requirement of the "South Carolina Solicitation of Charitable Funds Act." The registration of your charitable organization will expire on 5/15/2021.

If any of the information on your Registration form changes throughout the course of the year, please contact our office to make updates. It is important that this information remain updated so that our office can keep you informed of any changes that may affect your charitable organization.

If you have not yet filed your annual financial report or an extension for the annual financial report, the annual financial report is still due 4½ months after the close of your fiscal year.

- Annual financial reports must either be submitted on the Internal Revenue Service Form 990 or 990-EZ or the Secretary of State's Annual Financial Report Form.
- If you wish to extend the filing of that form with us, please submit a written request by email or fax to our office using the contact information below. Failure to submit the annual financial report may result in an administrative fine of up to \$2,000.00.

If you have any questions or concerns, please visit our website at www.sos.sc.gov or contact our office using the contact information below.

Sincerely,

Kimberly S. Wickersham
Director, Division of Public Charities

South Carolina Secretary of State

Business Entities Online

File, Search, and Retrieve Documents Electronically

PICKENS COUNTY YOUNG MENS CHRISTIAN ASSOCIATION

Corporate Information

Entity Type: Nonprofit

Status: Good Standing

Domestic/Foreign: Domestic

Incorporated South Carolina
State:

Important Dates

Effective Date 10/25/1957

:

Expiration N/A
Date:

Term End N/A
Date:

Dissolved N/A
Date:

Registered Agent

Agent: SIDNEY G. COLLINS

Address: 201 BURNS RD
EASLEY, South Carolina 29640

Official Documents On File

Filing Type	Filing Date
Change of Agent or Office	06/13/2011
Amendment	11/17/1997
Amendment	11/01/1994
Amendment	12/30/1964
Incorporation	10/25/1957

Former Names

Name	Filing Date
YOUNG MEN'S CHRISTIAN ASSOCIATION FOR EASLEY AND PICKENS COUNTY	N/A

RECREATION FUND APPROPRIATIONS
APPLICATION FORM

WHAT DISTRICT(S) ARE YOU REQUESTING FUNDING FROM:

DISTRICT: ALL

Mail/Email/Fax to:
Anderson County Council Clerk
P. O. Box 8002
Anderson, SC 29622
lacroegaert@andersoncountysc.org
Fax: 864-260-4356

1. Name of entity requesting recreation fund appropriation:
Tiaras to Crowns
2. Amount of request (If requesting funds from more than one district, annotate amount from each district): 1,000
3. The purpose for which the funds are being requested:
Back bags & Supplies
4. Is the entity a non-profit corporation in good standing with the South Carolina Secretary of State? If so, please attach evidence of that good standing. Yes (see attached document on file)
5. Contact Person: Roshanda Fuller
Mailing Address: 1217 Bolt Drive, Anderson SC 29621
Phone Number: 864-276-2406
Email: tiaras to crowns president@gmail.com
6. Statement as to whether the entity will be providing matching funds: NO

I certify that the forgoing is true and accurate to the best of my knowledge and that I am authorized to make this application on behalf of the above named entity.

Roshanda M. Fuller / Roshanda Fuller 09/21/2020
Signature Print Name Date

South Carolina Secretary of State

Business Entities Online

File, Search, and Retrieve Documents Electronically

TIARAS TO CROWNS

Corporate Information

Entity Type: Nonprofit

Status: Good Standing

Domestic/Foreign: Domestic

**Incorporated South Carolina
State:**

Registered Agent

Agent: Roshanda Fuller

Address: 610 Fairmont Road
Anderson, South Carolina 29621

Important Dates

Effective Date 02/08/2016

:

**Expiration N/A
Date:**

**Term End N/A
Date:**

**Dissolved N/A
Date:**

Official Documents On File

Filing Type	Filing Date
Notice of Change of Registered Office or Registered Agent or Both of a Nonprofit Corporation	05/08/2017
Incorporation	02/08/2016

For filing questions please contact us at 803-734-2158

Copyright © 2020 State of South Carolina

Lacey A. Croegaert

From: Steve Newton
Sent: Wednesday, September 30, 2020 10:46 AM
To: Lacey A. Croegaert
Cc: Rusty Burns
Subject: Agenda Item- Community Resource Guide Rec Fund request
Attachments: Community Resource Guide Rec Fund Request.pdf

Lacey, please print out this email and include in the agenda packet along with the attached materials.

Councilmembers,

The Administrator's Office is requesting approval of funding support for printing of the Community Resource Guide. As you know, the CRG is prepared by community volunteers and distributed at key locations throughout Anderson County. A copy of the distribution plan is attached, and I have provided each of you with copies of the updated edition for your review and distribution. These copies were delivered to you with your agenda packets.

We are requesting \$250 in recreation funding from each council district. The funds provided will go to South Main Chapel and Mercy Center, which acts as fiscal agent for the Community Resource Guide. FUNDS DONATED BY COUNCIL WILL BE RESERVED EXCLUSIVELY FOR PRINTING OF COPIES OF THE CRG.

Thanks for your consideration.

Steve Newton
Governmental Affairs Director
Anderson County Administrator's Office
(864) 260-1010

**RECREATION FUND APPROPRIATIONS
APPLICATION FORM**

**WHAT DISTRICT(S) ARE YOU REQUESTING FUNDING FROM
DISTRICT: ALL DISTRICTS**

Mail/Email/Fax to:
Anderson County Council Clerk
P. O. Box 8002
Anderson, SC 29622
laeroegaert@andersoncountysc.org

1. Name of entity requesting recreation fund appropriation:
County Administrator's Office on behalf of South Main Chapel and Mercy Center and the Anderson Community Resource Guide

2. Amount of request (If requesting funds from more than one district, annotate amount from each district):
\$250 per district; total of \$1,750

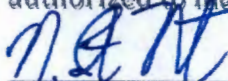
3. The purpose for which the funds are being requested:
Produce and distribute copies of the Community Resource Guide. The latest version includes additional food pantries countywide as well as more resources in Elder Support, Addition Recovery, Emergency Shelters and Transition Programs. The amount requested above will produce approximately 8,750 printed copies of the guides. A distribution map is included with this application.

4. Is the entity a non-profit corporation in good standing with the South Carolina Secretary of State? If so, please attach evidence of that good standing.
Yes. South Main Chapel and Mercy Center is acting as the fiscal agent and is a previous recipient of county funding

5. Contact Person: **Steve Newton**
Email Address: snewton@andersoncountysc.org

6. Statement as to whether the entity will be providing matching funds:
Yes. Anderson County's funding is used to leverage direct and in-kind contributions from individuals and organizations for this effort.

I certify that the forgoing is true and accurate to the best of my knowledge and that I am authorized to make this application on behalf of the above named entity.



Signature

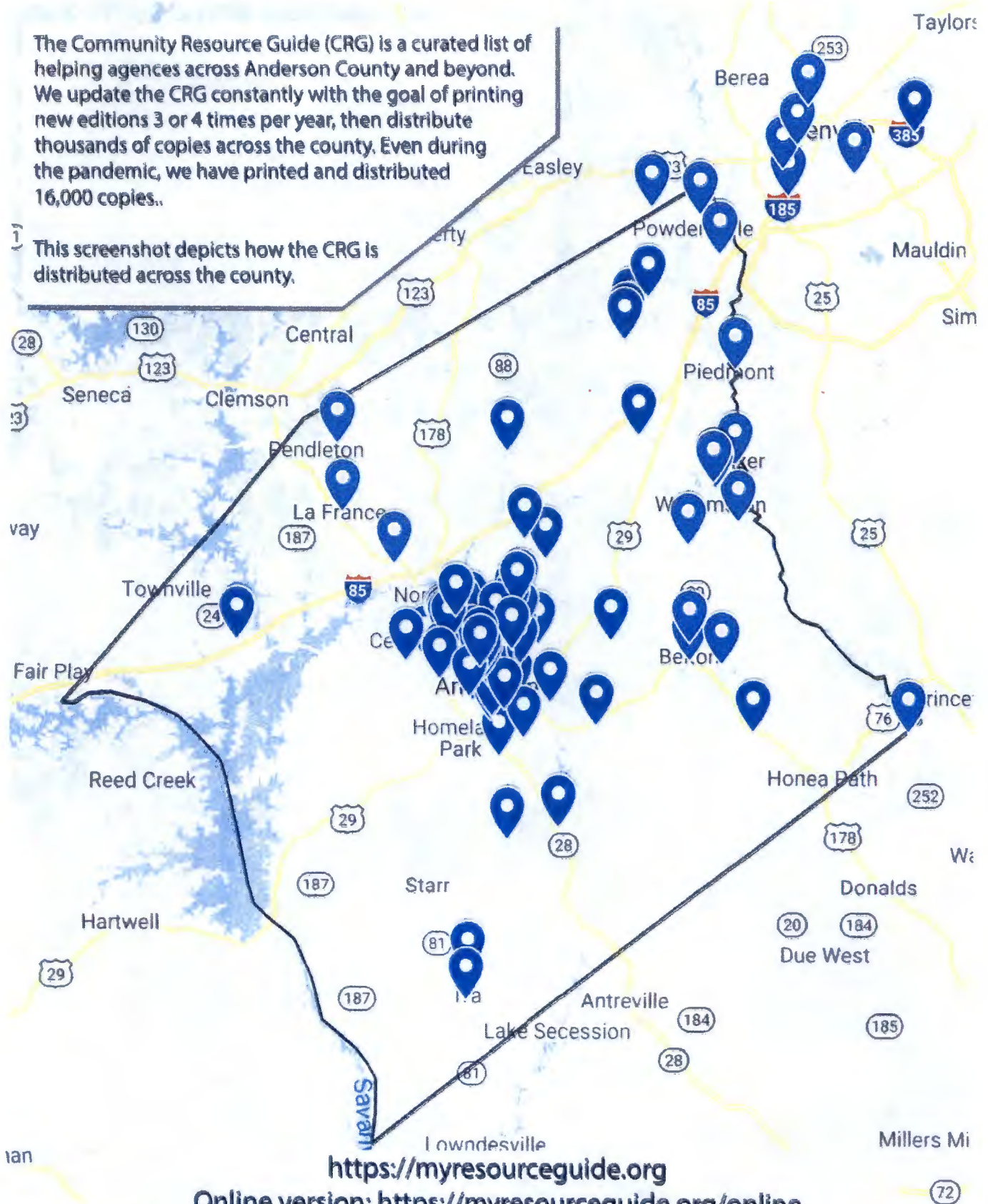
Steve Newton
Print Name

September 24, 2020
Date

Anderson County Community Resource Guide Distribution

The Community Resource Guide (CRG) is a curated list of helping agencies across Anderson County and beyond. We update the CRG constantly with the goal of printing new editions 3 or 4 times per year, then distribute thousands of copies across the county. Even during the pandemic, we have printed and distributed 16,000 copies..

This screenshot depicts how the CRG is distributed across the county.



<https://myresourceguide.org>

Online version: <https://myresourceguide.org/online>
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