



AGENDA
Special Presentation Meeting
Tuesday, February 17, 2026, at 6:00 p.m.
Historic Courthouse
101 S. Main Street
Anderson, South Carolina
Chairman Tommy Dunn, Presiding

1. CALL TO ORDER

2. RESOLUTIONS/PROCLAMATIONS:

a. 2026-007: A Resolution congratulating the Anderson Christian School Boys Volleyball team on winning the 2025 SCACS State Championship and commending its student-athletes and coaches for a remarkable season of excellence.

Hon. Chris Sullivan

b. 2026-008: A Resolution congratulating Belton Preparatory Academy on its outstanding academic achievements during the 2024-2025 school year and recognizing its statewide distinctions for excellence.

Hon. Cindy Wilson

3. ADJOURNMENT

AGENDA
ANDERSON COUNTY COUNCIL
REGULAR MEETING
Tuesday, February 17, 2026, at 6:30 p.m.
Historic Courthouse
101 S. Main Street
Anderson, South Carolina
Chairman Tommy Dunn, Presiding

1. CALL TO ORDER

2. INVOCATION AND PLEDGE OF ALLEGIANCE

Hon. Cindy Wilson

3. APPROVAL OF MINUTES

February 3, 2026

Tommy Dunn
Chairman, District Five

Chris N. Sullivan
District One

Greg Elgin
District Three

M. Cindy Wilson
District Seven

Brett Sanders
V. Chairman, District Four

Glenn Davis
District Two

Jimmy Davis
District Six

Renee Watts
Clerk to Council


Rusty Burns
County Administrator



4. CITIZENS COMMENTS

Agenda Matters Only
THREE-MINUTE TIME LIMIT

5. ORDINANCE THIRD READING:

- a. 2025-060:** An Ordinance to amend Ordinance #99-004, the Anderson County Zoning Ordinance, as adopted July 20, 1999, by amending the Anderson County Official Map to rezone four (4) lots of +/- 10.0 acres to Residential Agriculture (R-A) from Commercial Rural District (C-1R) on a parcel of land identified in the Fork No. 2 Precinct as shown in Deed Book 17746 at page 253. The parcel is further identified as Lot 1: TMS #6-00-03-008; Lot 2: TMS# 6-00-03-009; Lot 3: TMS# 6-03-011. [District 4] **(PUBLIC HEARING NOTICE THREE MINUTE TIME LIMIT)**

Ms. Alesia Hunter (allotted 5 minutes)

- b. 2026-005:** A Master Bond Ordinance of Anderson County, South Carolina, providing for the issuance and sale of revenue bonds to defray the costs of tourism-related projects secured by certain county fees; defining the terms and security for such bonds; and other matters related thereto. **(PUBLIC HEARING THREE MINUTE TIME LIMIT)**

Ms. Rita Davis (allotted 5 minutes)

- c. 2026-006:** A Series Ordinance of Anderson County, South Carolina providing for the issuance and sale of revenue bonds to finance tourism-related projects in the aggregate principal amount of not exceeding \$12,700,000; and other matters related thereto. **(PUBLIC HEARING THREE MINUTE TIME LIMIT)**

Ms. Rita Davis (allotted 5 minutes)

6. ORDINANCE SECOND READING:

- a. 2026-008:** An Ordinance to lease real property to Love Well Ministries to operate an opioid treatment facility; and other matters related thereto.

Mr. Jordan Thayer (allotted 5 minutes)

7. ORDINANCE FIRST READING:

- a. 2026-009:** An Ordinance to amend the Code of Ordinances, Anderson County, South Carolina, by the additions of Section 24-152 relating to the development of townhome and apartment dwelling units; and other matters related thereto.

Mr. Tommy Dunn (allotted 5 minutes)

- b. 2026-010:** An Ordinance authorizing the execution and delivery of a fee in lieu of tax agreement by and between Anderson County, South Carolina and a company or companies known to the county at this time as [Project Flyrod #1] 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.

Mr. Burriss Nelson (allotted 5 minutes)



- c. **2026-011:** An Ordinance to transfer an easement interest in real property, located at the Anderson County Sports & Entertainment Center, to Duke Energy Carolinas, LLC; and other matters related thereto. **(TITLE ONLY)**

Mr. Rusty Burns (allotted 5 minutes)

8. RESOLUTIONS:

- a. **2026-009:** A Resolution authorizing the execution and delivery of an inducement agreement by and between Anderson County, South Carolina and Project Flyrod #1 hereby, 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 Flyrod #1 will be provided certain credits against fee payments in reimbursement of investment in related qualified infrastructure; and providing for related matters.

Mr. Burriss Nelson (allotted 5 minutes)

9. VEHICLE DONATION:

- a. 2013 Chevy Tahoe-Town of Iva
b. 2013 Chevy Tahoe-Sandy Springs Fire Department

10. REQUEST BY COUNCIL:

- a. Lake Hartwell Partners for Clean Water-Districts 4 & 5

11. ADMINISTRATOR'S REPORT

Mr. Rusty Burns

12. CITIZENS COMMENTS

Non-Agenda Matters
THREE-MINUTE TIME LIMIT

13. REMARKS FROM COUNCIL

14. 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.

RESOLUTION 2026-007

A RESOLUTION CONGRATULATING THE ANDERSON CHRISTIAN SCHOOL BOYS VOLLEYBALL TEAM ON WINNING THE 2025 SCACS STATE CHAMPIONSHIP AND COMMENDING ITS STUDENT-ATHLETES AND COACHES FOR A REMARKABLE SEASON OF EXCELLENCE.

Whereas the Anderson Christian School Boys Volleyball Team won the 2025 SCACS State Championship on Saturday, November 1, 2025, at The Burg, formerly the Upward Star Center Complex, in Spartanburg, South Carolina; and

Whereas the team’s student-athletes include Robert Da Silva (#1), Seth Brammer (#3), Jack Chappelear (#4), Mason Mann (#7), Carson King (#9), Lucas Nieves (#10), Samuel Da Silva (#11), and Danny Hudson (#32), under the leadership of Coach Matt Oliver and Assistant Coach Dylan Brown; and

Whereas during the season the team recorded almost 400 combined aces, almost 750 combined kills, more than 75 combined block kills, and more than 750 point-saving digs, reflecting disciplined preparation, teamwork, and competitive excellence; and

Whereas individual highlights included Jack Chappelear with more than 100 aces and more than 250 kills, Samuel Da Silva with more than 50 aces and more than 100 kills, and Robert Da Silva with more than 200 digs;

Now, therefore, be it resolved that Anderson County Council, in meeting duly assembled this seventeenth day of February 2026, does hereby congratulate the Anderson Christian School Boys Volleyball Team on winning the 2025 SCACS State Championship, commend its student-athletes and coaches for their outstanding performance and sportsmanship, and extend best wishes for continued success.

FOR ANDERSON COUNTY:

Tommy Dunn, Chairman
District Five

Chris N. Sullivan
District One

Glenn Davis
District Two

Greg Elgin
District Three

Brett Sanders, Vice Chairman
District Four

Jimmy Davis
District Six

M. Cindy Wilson
District Seven

ATTEST:

Rusty Burns
County Administrator

Renee Watts
Clerk to Council

RESOLUTION 2026-008

A RESOLUTION CONGRATULATING BELTON PREPARATORY ACADEMY ON ITS OUTSTANDING ACADEMIC ACHIEVEMENTS DURING THE 2024–2025 SCHOOL YEAR AND RECOGNIZING ITS STATEWIDE DISTINCTIONS FOR EXCELLENCE.

Whereas Belton Preparatory Academy, a tuition-free public charter school serving students in grades 5K–8 in Belton, South Carolina, has been recognized for Academic Performance by the South Carolina Department of Education and the Charter Institute at Erskine; and

Whereas during the 2024–2025 school year Belton Preparatory Academy earned eight academic awards and received a total of \$25,000 in Academic Performance Bonuses from the Charter Institute at Erskine, with the Elementary School earning \$10,000 for achieving an Overall Good report card rating and the Middle School earning \$15,000 for achieving an Overall Excellent report card rating; and

Whereas the Elementary School was named a Platinum School of Excellence, a Silver School of Distinction, and a Palmetto Silver Award recipient, and the Middle School was named a Platinum School of Excellence, a Gold School of Distinction, a Palmetto Gold Award recipient, earned an Excellent Overall report card rating, and received a Culture of Excellence award; and

Whereas these recognitions reflect the dedication of the school's leadership, teachers, families, and students and affirm Belton Preparatory Academy's mission to provide a rigorous classical education that prepares students to become independent thinkers and responsible citizens;

Now, therefore, be it resolved that Anderson County Council, in meeting duly assembled this seventeenth day of February 2026, does hereby congratulate Belton Preparatory Academy on its exceptional academic performance and commend its educators, students, and families for their commitment to excellence and continued success.

FOR ANDERSON COUNTY:

Tommy Dunn, Chairman
District Five

Chris N. Sullivan
District One

Glenn Davis
District Two

Greg Elgin
District Three

Brett Sanders, Vice Chairman
District Four

Jimmy Davis
District Six

M. Cindy Wilson
District Seven

ATTEST:

Rusty Burns
County Administrator

Renee Watts
Clerk to Council

State of South Carolina)

County of Anderson)

ANDERSON COUNTY COUNCIL
SPECIAL PRESENTATION MEETING
FEBRUARY 3, 2026

IN ATTENDANCE:
TOMMY DUNN, CHAIRMAN
CHRIS SULLIVAN
GLENN DAVIS
GREG ELGIN
BRETT SANDERS
JIMMY DAVIS
CINDY WILSON

ALSO PRESENT:
RUSTY BURNS
LEON HARMON
RENEE WATTS

1 TOMMY DUNN: At this time
2 we'll call the special presentation meeting of February
3 the 3rd, 2026 to order. Welcome everyone here tonight,
4 and thank y'all for coming out.

5 First order of business will be Resolution/
6 Proclamation 2(a), 2026-006. Councilman Sullivan.

7 CHRIS SULLIVAN: Thank you, Mr.
8 Chairman. I'm going to read Resolution 2026-006.

9 A RESOLUTION RECOGNIZING FEBRUARY 11, 2026, AS
10 2-1-1 DAY AND COMMENDING THE ROLE OF THE 2-1-1 SYSTEM
11 AND THE UNITED WAY OF ANDERSON COUNTY IN CONNECTING
12 RESIDENTS TO ESSENTIAL HEALTH, HUMAN, AND SOCIAL
13 SERVICES.

14 Whereas the 2-1-1 system serves as a vital,
15 easy-to-remember resource that connects individuals and
16 families to critical health and human services,
17 including housing assistance, food access, utility
18 support, healthcare resources, and other life-changing
19 services; and

20 Whereas February 11 is nationally recognized as
21 2-1-1 Day, a time to honor the power of local support
22 systems and to elevate awareness of the role this
23 resource plays in helping residents navigate life's
24 challenges with dignity, clarity, and informed
25 compassion; and

26 Whereas in 2025 the South Carolina 2-1-1 system
27 provided nearly 180,000 referrals to more than 93,000
28 callers statewide and recorded more than 320,000
29 website visits, demonstrating the growing reliance on
30 this trusted public service; and

31 Whereas within Anderson County alone more than
32 3,200 calls were received and more than 6,300 referrals
33 were made, connecting residents to timely assistance
34 during moments of housing insecurity, food shortage,
35 healthcare need, and financial strain, the United Way
36 of Anderson County having been among the earliest
37 adopters of the 2-1-1 program, supporting its local
38 implementation and continued operation; and

39 Whereas the 2-1-1 system is administered through
40 the United Way Association of South Carolina in
41 partnership with United Way Worldwide, while remaining
42 locally supported to ensure services are responsive to
43 the specific needs of the Anderson County community;

44 Now, therefore, be it resolved that Anderson County
45 Council, in a meeting duly assembled this third day of
46 February 2026, does hereby recognize February 11, 2026,
47 as 2-1-1 Day, commend the United Way of Anderson
48 County and its partners for their stewardship of the
49 2-1-1 system, and encourage continued awareness and use
50 of this essential resource that strengthens individual

1 well-being and the overall health of the community.

2 PROCLAIMED this 3rd day of February 2026.

3 I'd like to make that in the form of a motion.

4 BRETT SANDERS: Second.

5 TOMMY DUNN: Have a motion

6 by Mr. Sullivan; second Ms. Wilson. Open the floor up
7 for discussion.

8 CHRIS SULLIVAN: Mr. Chairman?

9 TOMMY DUNN: Mr. Sullivan.

10 CHRIS SULLIVAN: I'd like to

11 thank the United Way. They're here tonight with us.
12 They have -- this thing doesn't run for free, and those
13 guys work hard at getting this thing funded for us. We
14 don't have to step in and do anything. It provides a
15 huge service. Just what we saw the past two weeks,
16 don't call 9-1-1 in these situations unless it's an
17 emergency. 2-1-1 is an option.

18 So I want to thank Kevin and his staff for what
19 they have done keeping this thing funded and going and
20 serving our county.

21 TOMMY DUNN: Thank you.

22 Anyone else?

23 I just want to echo Councilman Sullivan's
24 sentiments. Y'all do a great service for the citizens
25 of Anderson County. We appreciate it. And it's only
26 gotten really beyond the dream of when it first
27 started. It's working great, and appreciate y'all
28 keeping it up and keeping it going; not only funded,
29 but keeping it up. And it does a great service for
30 Anderson County; not only for our citizens but for our
31 9-1-1 people to relieve the stress off of them on some
32 calls. But y'all are doing a great job and service and
33 we appreciate it.

34 All in favor of the motion show of hands. All
35 opposed like sign. Show the motion carries
36 unanimously.

37 Mr. Sullivan.

38 **PRESENTATION OF RESOLUTION**

39 **APPLAUSE**

40 TOMMY DUNN: We're going to
41 move on now to item number 2(b), Proclamation
42 designating February 2026 as Black History Month in
43 Anderson County. From all Council members, but
44 Councilman Glenn Davis is going to read this into the
45 record for us. Councilman Davis.

46 GLENN DAVIS: Thank you, Mr.
47 Chairman.

48 THIS IS A PROCLAMATION DESIGNATING FEBRUARY 2026 AS
49 BLACK HISTORY MONTH IN ANDERSON COUNTY

50 WHEREAS, Black History Month is observed each

1 February to recognize and celebrate the history,
2 heritage, and achievements of African Americans whose
3 contributions have shaped our nation, our state, and
4 our community; and

5 WHEREAS, Anderson County is enriched by the
6 leadership, service, culture, and accomplishments of
7 African American residents, past and present; and

8 WHEREAS, the 2026 theme, "A Century of Black
9 History Commemorations," highlights the enduring
10 importance of preserving and honoring Black history and
11 the continued efforts to ensure these stories and
12 contributions are recognized and remembered; and

13 WHEREAS, Black History Month provides an
14 opportunity for all citizens to reflect on the
15 progress made, acknowledge ongoing challenges, and
16 recommit to the values of dignity, unity, and equal
17 opportunity for all.

18 NOW, THEREFORE, the Anderson County Council does
19 hereby proclaim the month of February 2026 as BLACK
20 HISTORY MONTH in Anderson County, South Carolina, and
21 encourages all residents to observe this month through
22 appropriate programs, events, and activities
23 recognizing the contributions of African Americans.

24 And I put that in the form of a motion.

25 GREG ELGIN: Second.

26 TOMMY DUNN: Have a motion
27 by Mr. Davis and I think second by the whole Council.
28 Open the floor up for discussion.

29 I just want to say I appreciate Mr. Davis reading
30 this into the record, and I appreciate the staff
31 preparing this for us. I think it's very important.

32 All in favor of the motion show of hands. All
33 opposed like sign. Show the motion carries
34 unanimously.

35 We'll adjourn right now and we'll reconvene here
36 for our regular County Council meeting at 6:30.

37
38

(SPECIAL PRESENTATION MEETING ADJOURNED AT 6:08 P.M.)

State of South Carolina)
County of Anderson)

ANDERSON COUNTY COUNCIL
COUNTY COUNCIL MEETING
FEBRUARY 3, 2026

IN ATTENDANCE:
TOMMY DUNN, CHAIRMAN
CHRIS SULLIVAN
GLENN DAVIS
GREG ELGIN
BRETT SANDERS
JIMMY DAVIS
CINDY WILSON

ALSO PRESENT:
RUSTY BURNS
LEON HARMON
RENEE WATTS

1 TOMMY DUNN: At this time
2 I'd like to call the regular Anderson County Council
3 meeting of February the 3rd to order. I'd like to
4 welcome each and everyone here tonight. Thank y'all
5 for coming out and taking part in your local
6 government.
7 At this time I'm going to ask Councilman Jimmy
8 Davis if he'll lead us in the invocation and pledge of
9 allegiance. If we'll all rise, please.

10 JIMMY DAVIS: Let us pray.
11 **INVOCATION AND PLEDGE OF ALLEGIANCE BY JIMMY DAVIS**

12 TOMMY DUNN: If we would,
13 too, I'd like to mention -- it was mentioned earlier,
14 but if we'd all please keep Henry Youmans and his
15 family in our thoughts and prayers. He's not doing
16 good at all. He's in the hospital. Let's keep him in
17 our thoughts and prayers. He's been a good part of the
18 family of Anderson County.
19 Do we have any corrections to be made to the
20 January 20th, 2026 minutes?

21 CINDY WILSON: Mr. Chairman,
22 may I?
23 TOMMY DUNN: Ms. Wilson.
24 CINDY WILSON: On page 19,
25 line 10, the word touch should have been tough. So I
26 make that in the form of a motion with that ---
27 TOMMY DUNN: Ms. Wilson
28 makes a motion to accept the minutes with that
29 correction.
30 CHRIS SULLIVAN: Second.
31 TOMMY DUNN: We have a
32 second by Councilman Sullivan. All in favor of the
33 motion show of hands. All opposed like sign. Show the
34 motion carries unanimously.
35 Thank you, Ms. Wilson.
36 We're going to move on now to item number 4,
37 citizens' comments. When Mr. Harmon calls your name,
38 please step forward and state your name and address for
39 the record. Or the district if you know your Council
40 district. And speak into -- you've got three minutes.
41 And the first go-around is on agenda items only,
42 please. And please address the chair. Mr. Harmon.

43 LEON HARMON: Mr. Chairman,
44 we have one speaker signed up. Nate Knox.
45 NATE KNOX: Thank you,
46 Council. My name is Nate Knox. I'm the Executive
47 Director of The Lot Project, and I am right on the edge
48 of District One on East Calhoun Street. I'm here
49 before you tonight to request funding for our travelers
50 aid program.

1 Just over a year ago, a community-wide task force
 2 was formed to seek recommendations for how we could
 3 better serve our homeless neighbors. These -- this
 4 task force consisted of county civic leaders, city
 5 civic leaders, members of the faith community, the
 6 business community, as well as non-profits, and we came
 7 together and published a white paper on homelessness
 8 that addresses a list of recommendations for how we
 9 could better serve our neighbors.

10 One of those recommendations was to establish a
 11 local branch of travelers aid. Travelers aid is
 12 essentially a, as the name suggests, a travelers aid
 13 program for individuals who are experiencing
 14 homelessness or on the verge of homelessness, to get to
 15 a community or a resource outside of Anderson County
 16 that will serve them more effectively. That is very
 17 often reconciliation with families. It can also be
 18 getting connected to a rehab treatment center. It can
 19 be a different job opportunity. The list goes on.

20 This is not just a one time, you know, low barrier
 21 ticket to ride out of Anderson. This is something that
 22 involves the discretion of our staff, a case management
 23 conversation, and fare will only be provided if an
 24 individual will truly be better served outside of
 25 Anderson County.

26 We have so far budgeted \$5,000 this year for this
 27 program. We've been able to assist four individuals
 28 with travelers aid so far, and all four of those
 29 individuals are in better circumstances today than they
 30 were when travelers aid was first awarded to them.

31 I really would like to thank Mr. Sullivan for his
 32 assistance on the task force and his contributions.
 33 And if you have any questions, I'd be happy to answer
 34 those now.

35 TOMMY DUNN: Anyone have
 36 any? Appreciate y'all's work.

37 NATE KNOX: Thank you so
 38 much.

39 TOMMY DUNN: Yes, sir.
 40 Anyone else, Mr. Harmon?

41 LEON HARMON: Mr. Chairman,
 42 no one else is signed up.

43 TOMMY DUNN: Thank you.

44 We're going to move on now to item number 5, 5(a),
 45 ordinance third readings. This is going to be
 46 ordinance 2026-001, an Ordinance to amend Section
 47 24-432 of the Code of Ordinances, Anderson County,
 48 South Carolina, to increase the minimum area of single
 49 lots and twin home lots with access to public water and
 50 sewer in unzoned areas of Anderson County; and other

1 matters related thereto.

2 This will be a public hearing. Anyone wishing to
3 speak to this matter, please step forward, state your
4 name and district, again, for the record. Address the
5 chair. And you have three minutes. Anyone at all?
6 Seeing and hearing none, the public hearing will be
7 closed. Do we have a motion to put this on the floor?

8 JIMMY DAVIS: So moved.

9 CINDY WILSON: Second.

10 TOMMY DUNN: Motion by Mr.

11 Davis, Mr. Jimmy Davis, and second by Ms. Wilson. Any
12 discussion? All in favor of the motion show of hands.
13 All opposed like sign. Show the motion carries
14 unanimously.

15 We're going to move on to item number 5(b),
16 2026-002, an Ordinance to amend Section 36-19 of the
17 Anderson County Code of Ordinances to allow for
18 Paternity Leave; and other matters related thereto.

19 This also will be a public hearing. Anyone wishing
20 to speak to this matter, please step forward and state
21 your name and district for the record. Address the
22 chair. And you have three minutes. Seeing and hearing
23 none, the public hearing will be closed.

24 Do we have a motion to put this on the floor?

25 JIMMY DAVIS: So moved.

26 CINDY WILSON: Second.

27 TOMMY DUNN: Motion by

28 Councilman Jimmy Davis; and second by Ms. Wilson. Any
29 discussion? All in favor of the motion show of hands.
30 All opposed like sign. Show the motion carries
31 unanimously.

32 We're going to move on to item number 6(a),
33 ordinance second reading, ordinance 2025-043, an
34 Ordinance to amend the Anderson County Land Use
35 Ordinance, by adding Section 24-153, to provide
36 regulations for solar energy facilities in the
37 unincorporated part of Anderson County; and other
38 matters related thereto.

39 I misspoke last Council meeting when I said we'd be
40 having third reading. We did not have a second
41 reading. We tabled it. I forgot about that. So we've
42 got to have a motion to bring this off the table.

43 CINDY WILSON: May I make the
44 motion that we bring item number 2025-043 off the
45 table.

46 TOMMY DUNN: Ms. Wilson
47 makes the motion. Have a second?

48 GREG ELGIN: Second.

49 TOMMY DUNN: Second by

50 Councilman Elgin. All in favor of the motion show of

1 hands. All opposed like sign. Show the motion carries
2 unanimously.

3 Now, do we have a motion to move this forward?
4 CINDY WILSON: So moved.
5 TOMMY DUNN: Motion by Ms.
6 Wilson to move forward. Do we have a second?
7 JIMMY DAVIS: Second.
8 TOMMY DUNN: Second by
9 Jimmy Davis. Open the floor up for discussion.
10 CINDY WILSON: May I?
11 TOMMY DUNN: Yes, ma'am.
12 CINDY WILSON: I want to say
13 thank you to all that were involved in crafting this
14 ordinance. It's a very complicated subject. And it
15 appears to be more detailed and complete and an orderly
16 method of dealing with solar farms.
17 I don't think any of us who originally were so
18 enamored of solar farms realized the difficulties and
19 problems that some of these big projects can cause,
20 especially if you have a company that's an LLC and it
21 walks or it flips the project. And then at abandonment
22 or decommissioning, they may walk away and leave the
23 poor land owner holding the bag.
24 But anyway, I think this is a more thoughtful
25 approach, and I appreciate everybody's work on that.
26 Thank you.
27 TOMMY DUNN: Thank you.
28 We've got still a little bit more work to do for third
29 reading to get this hammered out, I think. Mr. Harmon,
30 will third reading be at next Council meeting?
31 LEON HARMON: Did you
32 advertise it? Has this been advertised yet? If it's
33 not advertised, it won't be able to be on the next
34 meeting because it's two weeks. We'll have to do it
35 the second meeting in March.
36 TOMMY DUNN: Let me ask you
37 this. If it's not going to be done -- if we can't do
38 it in this Council meeting, can we, at the next meeting
39 -- I'm asking now and you can think about this, what
40 not -- do a resolution a what not that we have to do
41 where none can move forward until this is in place?
42 That hasn't already started? Nothing new can start
43 until we get this ordinance in place?
44 LEON HARMON: I think we
45 would have that argument already under the pending
46 ordinance doctrine.
47 TOMMY DUNN: Okay.
48 LEON HARMON: We didn't
49 state that in the document itself, but this ordinance
50 ---

1 TOMMY DUNN: Let me ask you
2 this? We haven't had a vote yet. Somebody can amend
3 it, can't they, and put that in there?
4 LEON HARMON: We can. Yes,
5 sir.
6 TOMMY DUNN: I think that
7 would be very well to do.
8 CINDY WILSON: I make that
9 motion to do that.
10 GREG ELGIN: Second.
11 TOMMY DUNN: Hang on just a
12 minute. I want to get this thing straight. We'll get
13 it here in just a minute. Okay. We've got that.
14 Ms. Wilson makes a motion that this will -- nothing
15 new moves forward until we have third reading on this.
16 Mr. Elgin seconds it.
17 Now, open the floor up for discussion.
18 GREG ELGIN: Mr. Chairman?
19 TOMMY DUNN: Councilman
20 Elgin.
21 GREG ELGIN: Mr. Harmon,
22 while we're looking at this, I did notice that there's
23 not a bonding section in there. And I know there's
24 some more stuff to go to get into it, but we're missing
25 the bonding section.
26 As Ms. Wilson said, you know, the thing is, if they
27 do have an LLC and they decide they're done and they
28 bankrupt the LLC and walk away, again, I don't want our
29 residents to be responsible for paying for that clean-
30 up. So that was what we talked about on the bonding
31 issue. I just didn't see it in this document.
32 TOMMY DUNN: It's not.
33 There's two other things ain't in there. That's why I
34 said it still needs work for third reading. Before
35 third reading, that will be took care of.
36 GREG ELGIN: Thank you,
37 sir.
38 TOMMY DUNN: Yes, sir.
39 All in favor -- anymore discussion on the
40 amendment? All in favor of the amendment show of
41 hands. All opposed like sign. Show the motion carries
42 unanimously.
43 Now getting back to the original motion. I was
44 just going to say, I wish Ms. Wilson would have been
45 there last night. We had a public hearing last night
46 at the Civic Center for the gas operating plant. And
47 we got a group of thoughtful citizens come in here from
48 Clemson, South Carolina, professors, and they was
49 pushing solar farms big time. Even talking about
50 twelve thousand acres of solar farms to take the place

1 of battery operated solar farms. Back-ups, to each
 2 their own.

3 CINDY WILSON: Having heard
 4 about that, that was very curious. They apparently
 5 don't know what can happen. And I am a fan of the
 6 concept of natural gas fired plants. The modern
 7 version of those are so much more efficient. And we
 8 have -- it's right on the pipeline. And it's in an
 9 area that is not as populated and it's right there in
 10 the industrial area. It seems like it's more
 11 appropriate. But we'll see.

12 TOMMY DUNN: Thank you.
 13 All in favor of the original motion show of hands.
 14 All opposed like sign. Show the motion carries
 15 unanimously.
 16 Thank y'all.

17 Moving on to item number 6(b), second reading,
 18 2026-003, an Ordinance to amend Division 9 (Economic
 19 Advisory Board) of Chapter 2 of the Code of Ordinances,
 20 Anderson County, South Carolina, to add a provision
 21 that board voting members cannot have an interest in
 22 property on which a fee in lieu of tax agreement or a
 23 special source revenue agreement is proposed and to
 24 amend a provision regarding non-voting members; and
 25 other matters related thereto.

26 I put this in the form of a motion to move this
 27 forward.

28 JIMMY DAVIS: Second.
 29 CINDY WILSON: Second.
 30 TOMMY DUNN: Second by
 31 Jimmy Davis. Mr. Harmon?

32 LEON HARMON: Yes, sir.
 33 TOMMY DUNN: I know it's
 34 been bad weather and everything else, but for third
 35 reading can you have this -- your research done and
 36 have the Planning Commission added to this?

37 LEON HARMON: Yes, sir.
 38 I'll get that done by then.

39 TOMMY DUNN: Okay.
 40 LEON HARMON: I spent most
 41 of my time between the ice storm and the snow storm
 42 working on the solar farm ordinance.

43 TOMMY DUNN: Thank you.
 44 Anyone else? All in favor of the motion show of hands.
 45 All opposed like sign. Show the motion carries
 46 unanimously.

47 Moving on to item number (c), 2026-005, a Master
 48 Bond Ordinance of Anderson County, South Carolina
 49 providing for the issuance and sale of revenue bonds to
 50 defray the costs of tourism-related projects secured by

1 certain county fees; defining the terms and security
2 for such bonds; and other matters related thereto.
3 Do we have a motion to move this forward?
4 BRETT SANDERS: So moved.
5 TOMMY DUNN: Motion by
6 Councilman Sanders. Do we have a second?
7 CINDY WILSON: Second.
8 TOMMY DUNN: Second by Ms.
9 Wilson. Open the floor up for discussion.
10 CINDY WILSON: May I?
11 TOMMY DUNN: Ms. Wilson.
12 CINDY WILSON: We had a very
13 informative Finance Committee meeting, and we were
14 given assurance that other projects will be able to be
15 funded, even though they're not named in this bond
16 ordinance.
17 For example, the Blue Trail and a number of
18 projects on the river below Piedmont would be eligible
19 for accommodations fees. So I'm much more assured that
20 the largesse will be spread around. I appreciate it.
21 TOMMY DUNN: Thank y'all.
22 Anyone else? All in favor of the motion show of hands.
23 All opposed like sign. Show the motion carries
24 unanimously.
25 We're going to move on to item number (d),
26 2026-006, a Series Ordinance of Anderson County, South
27 Carolina providing for the issuance and sale of revenue
28 bonds to finance tourism-related projects in the
29 aggregate principal amount of not exceeding
30 \$12,700,000; and other matters related thereto.
31 Do we have a motion to move this forward?
32 BRETT SANDERS: So moved.
33 TOMMY DUNN: Motion by Mr.
34 Sanders. Do we have a second?
35 CINDY WILSON: Second.
36 TOMMY DUNN: Second by Ms.
37 Wilson. Open the floor up for discussion. All in
38 favor of the motion show of hands. All opposed like
39 sign. Show the motion carries unanimously.
40 Moving on to item number 7(a), ordinance first
41 reading, 2026-008, an Ordinance to lease real property
42 to Love Well Ministries to operate an opioid
43 treatment facility; and other matters related thereto.
44 Do we have a motion to put this on the floor?
45 GREG ELGIN: So moved.
46 CINDY WILSON: So moved.
47 TOMMY DUNN: Motion by Mr.
48 Elgin; second Ms. Wilson. Open the floor up for
49 discussion.
50 CINDY WILSON: May I?

1 TOMMY DUNN: Ms. Wilson.
2 CINDY WILSON: Reading
3 through this and a number of other measures with the
4 opioid revenue coming to the county, I'm very grateful
5 for all the 501(c)(3)s and AnMed and all of our county
6 efforts to deal with the opioid crisis and the other
7 drug crises. And like when Mr. Knox came forward and
8 asked for funds, a lot of those people have gotten
9 themselves into predicaments, too. And it's very
10 reassuring in a county of our size to have all these
11 measures coming together to help people.
12 Thank you.
13 TOMMY DUNN: Thank you.
14 And I think it's -- the thing about it, I like this.
15 It's opioid money that's been put to use for what it's
16 meant for. It's being used instead of making people
17 career jobs out of it.
18 Mr. Thayer, you got anything?
19 JORDAN THAYER: (Inaudible.)
20 TOMMY DUNN: Okay. Anybody
21 have anything for Mr. Thayer?
22 All in favor of the motion show of hands. All
23 opposed like sign. Show the motion carries
24 unanimously.
25 Moving on to item number 8. There is no
26 resolutions tonight.
27 We'll move to item number 9, requests by Council
28 members. Mr. Jimmy Davis.
29 JIMMY DAVIS: Nothing, sir.
30 TOMMY DUNN: Thank you.
31 Mr. Brett Sanders.
32 BRETT SANDERS: I'd like to
33 put these in the form of one motion.
34 TOMMY DUNN: Yes, sir.
35 TOMMY DUNN: Thank you,
36 sir. From District Four's appropriations, I'd like the
37 Anderson University First Responders Appreciation 500;
38 Just Jeanie Foundation annual community outreach for
39 senior citizen fellowship 500; The Lot Project
40 travelers' aid program 700. I'll put that in the form
41 of a motion.
42 CINDY WILSON: Second.
43 TOMMY DUNN: We have a
44 motion by Mr. Sanders; and second by Ms. Wilson. Any
45 discussion? All in favor of the motion show of hands.
46 All opposed like sign. Show the motion carries
47 unanimously.
48 Moving on to Councilman Glenn Davis.
49 GLENN DAVIS: Thank you, Mr.
50 Chairman. If I may put all these in one motion.

1 TOMMY DUNN: Yes, sir.
2 GLENN DAVIS: From District
3 Two's appropriation account, Anderson University First
4 Responders Appreciation Banquet 500; Just Jeanie Media
5 Foundation 500; The Lot Project travelers aid program
6 800. And I put that in the form of a motion.
7 CINDY WILSON: Second.
8 TOMMY DUNN: We have a
9 motion by Mr. Davis; and second by Ms. Wilson. Open
10 the floor up for discussion. All in favor of the
11 motion show of hands. All opposed like sign. Show the
12 motion carries unanimously.
13 Moving on to Councilman Elgin.
14 GREG ELGIN: Thank you, Mr.
15 Chairman. If I could put these in the form of one
16 motion, please, sir?
17 TOMMY DUNN: Yes, sir.
18 GREG ELGIN: The Anderson
19 University First Responders Appreciation 750; Just
20 Jeanie 500; and The Lot Project 750. Put that in the
21 form of a motion.
22 CINDY WILSON: Second.
23 TOMMY DUNN: Have a motion
24 by Mr. Elgin; second by Ms. Wilson. Open the floor up
25 for discussion. Seeing and hearing none, all in favor
26 of the motion show of hands. All opposed like sign.
27 Show the motion carries unanimously.
28 Moving on to Councilman Sullivan.
29 CHRIS SULLIVAN: Thank you, Mr.
30 Chairman. From the District One appropriation request,
31 I'd like to put all of this in the form of one motion.
32 TOMMY DUNN: Yes, sir.
33 CHRIS SULLIVAN: Anderson
34 University First Responders Appreciation Banquet \$500;
35 Just Jeanie Media Foundation 500; and The Lot Project
36 travelers aid program 750.
37 CINDY WILSON: Second.
38 TOMMY DUNN: Motion by Mr.
39 Sullivan; second by Ms. Wilson. Open the floor up for
40 discussion. All in favor of the motion show of hands.
41 All opposed like sign. Show the motion carries
42 unanimously.
43 Ms. Wilson.
44 CINDY WILSON: Thank you.
45 District Seven is low. However, we would like to
46 appropriate \$250 to Anderson University for the first
47 responders banquet; and 500 to The Lot Project
48 travelers aid program. And I put that in the form of a
49 motion.
50 BRETT SANDERS: Second.

1 TOMMY DUNN: Motion Ms.
2 Wilson; second Mr. Davis, Jimmy Davis. Any discussion?
3 All in favor of the motion show of hands. All opposed
4 like sign. Show the motion carries unanimously.
5 Y'all help me out here. The media thing has been
6 met there. She's got what she asked for. Anderson
7 University is at what?
8 CHRIS SULLIVAN: Twenty-five
9 hundred.
10 TOMMY DUNN: Twenty-five?
11 GREG ELGIN: Yep.
12 TOMMY DUNN: And The Lot
13 Project is at what, Mr. Sullivan?
14 CHRIS SULLIVAN: Thirty-five
15 hundred.
16 TOMMY DUNN: Thirty-five?
17 Okay. Out of District Five, I'd like to put this in
18 the form of one motion. From District Five's special
19 appropriation account, Anderson University First
20 Responders Appreciation Banquet, I'll put \$500 on it to
21 make them -- get them whole. And The Lot Project
22 travelers aid program \$1,000. Put that in the form of
23 a motion.
24 BRETT SANDERS: Second.
25 CINDY WILSON: Second.
26 TOMMY DUNN: Second by
27 Councilman Elgin. Open the floor up for discussion.
28 I'd just like to say, I hope on the Anderson
29 University first responders appreciation banquet thing,
30 our names in there somewhere. It's not likely they'd
31 be appreciating us if we weren't doing it.
32 All in favor of the motion show of hands. All
33 opposed like sign. Show the motion carries
34 unanimously.
35 Moving on now to Administrator's report.
36 RUSTY BURNS: Nothing at
37 this time, Mr. Chairman.
38 TOMMY DUNN: Moving on now
39 to citizens' comments. When Mr. Harmon calls your
40 name, please step forward and state your name and
41 district for the record. You have three minutes. And
42 please address the chair. Mr. Harmon.
43 LEON HARMON: Mr. Chairman,
44 no one is signed up to speak.
45 TOMMY DUNN: Remarks from
46 Council members. Ms. Wilson.
47 CINDY WILSON: Thank you.
48 I was very concerned when we got this notification
49 of the upper Savannah River reservoirs enter drought
50 level two. I hope the ice and snow have melted enough

1 to get us out of that issue, because I can tell the
2 lake's really down, and of course, it's going
3 downstream. Russell and Strom Thurmond, all of those
4 are low too, so this is cause for concern. Hopefully
5 we'll get better rain soon. Thank you.

6 TOMMY DUNN: Thank you, Ms.
7 Wilson.

8 Moving on, Mr. Sullivan.

9 CHRIS SULLIVAN: Thank you, Mr.
10 Chairman. I probably, like most of us, just want to
11 thank the past couple of weeks with what this County's
12 been through, the state of emergency that lasted for
13 seven or eight days, it seems like, with all the winter
14 storms coming in. But the warming shelters, the
15 Anderson County Library kicked in and helped people in
16 need. The Civic Center kicked in. Hope Ministries.
17 It turns their world upside down when they're running
18 the warming center.

19 So I just appreciate everybody in the community
20 coming together. And I think we're getting good at
21 dealing with emergencies, apparently right now, because
22 this was about as smooth as I've seen. I'm knocking on
23 wood as I'm saying this. This is an all wood desk up
24 here, but I'm just really proud of Anderson and how
25 they reacted. So thank you.

26 TOMMY DUNN: Thank you.
27 Councilman Elgin.

28 GREG ELGIN: Thank you, Mr.
29 Chairman. Just say a quick thank you again on the last
30 two weeks to our first responders, all of them, EMS,
31 fire, police. They had to be out in this mess and put
32 up with everything that went on. And just appreciate
33 them being out and staying away from their families to
34 handle this.

35 Also our county employees that had to clear roads
36 and treat roads and parking lots and everything else.
37 Appreciate everything they did for all of us.

38 Thank you, sir.

39 TOMMY DUNN: Thank you.
40 Councilman Glenn Davis.

41 GLENN DAVIS: Nothing at
42 this time, sir.

43 TOMMY DUNN: Thank you.
44 Councilman Brett Sanders.

45 BRETT SANDERS: Well, I guess
46 I'm like everyone else, I want to thank our county
47 employees, our emergency management teams, our
48 administrator, our first responders. And I'd like to
49 thank our energy companies and all the subs that came
50 in from all over the United States to help us. Our

1 Civic Center, the library, Hope Missions.

2 It goes to show the caliber of people we have here
3 and their care. I actually went out to the Civic
4 Center a couple of times, and it was mind-blowing, all
5 the things going on out there. So just make sure all
6 our employees and everyone knows how much they are
7 appreciated. Thank you, sir.

8 TOMMY DUNN: Thank you.
9 Councilman Jimmy Davis.

10 JIMMY DAVIS: Nothing at
11 this time, sir.

12 TOMMY DUNN: Thank you.

13 To start with, if you would, Mr. Davis, Jimmy and
14 Brett, if y'all would -- and I've already talked to
15 Matt Hogan -- brush up on that solar farm ordinance?
16 Run by and get that and we'll get that finished up.

17 I also want to echo, want to thank all of our non-
18 profits and all for having the warming stations and
19 taking care of the people that needed it. We have
20 great people in Anderson County that cares. I want to
21 thank all of our first responders, our linemen. We've
22 been very blessed with people coming in from out-of-
23 state. I want to thank our county staff who's been
24 working diligently these last few weeks. And I want to
25 thank our Lord and Savior for taking care of us and our
26 power not being no worse than what it was. We was very
27 blessed here, not to be no worse than what it was,
28 compared to the counties around us. Pickens and Oconee
29 had it a little bit harder than we did. We appreciate
30 what everybody's doing for the county and the great job
31 everyone is doing.

32 The ones that don't know it, if Mr. Burns hasn't
33 told you, y'all need to talk to Mr. Burns. The animal
34 shelter got a very, very good donation here a few weeks
35 ago. A lady passed away and left us a very good
36 donation for the animal shelter. We really do
37 appreciate that for our animals.

38 Thank y'all. Be dismissed. Be safe.

39

40

(MEETING ADJOURNED AT 6:54 P.M.)

Ordinance #2025-060

An Ordinance to amend Ordinance #99-004, the Anderson County Zoning Ordinance, as adopted July 20, 1999, by amending the Anderson County Official Map to rezone four (4) lots of +/- 10.0 acres to Residential Agriculture (R-A) from Commercial Rural District (C-1R) on a parcel of land identified in the Fork No. #2 Precinct as shown in Deed Book 17746 at page 253. The parcels is further identified as Lot 1: TMS#: 6-00-03-008; Lot 2: TMS#: 6-00-03-009; Lot 3: TMS#: 6-00-03-010 and Lot 4: TMS#: 6-00-03-011.

Whereas, Anderson County, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), acting by and through its County Council (the "County Council") has previously adopted Anderson County Ordinance #99-004, the Anderson County Zoning Ordinance (the "Ordinance"), which Ordinance contains the Anderson County Official Zoning Map (the "Map"); and,

Whereas, the Ordinance contains provisions providing for amendment of the map; and,

Whereas, County Council desires to amend the Map by adopting a zoning map amendment to R-A from C-1R for four (4) parcels further identified as Lot 1: TMS#: 6-00-03-008; Lot 2: TMS#: 6-00-03-009; Lot 3: TMS#: 6-00-03-010 and Lot 4: TMS#: 6-00-03-011.

Whereas, the Anderson County Planning Commission has held a duly advertised Public Hearing on May 13, 2025, during which it reviewed the proposed rezoning to R-A from C-1R for the four (4) parcels is further identified as Lot 1: TMS#: 6-00-03-008; Lot 2: TMS#: 6-00-03-009; Lot 3: TMS#: 6-00-03-010 and Lot 4: TMS#: 6-00-03-011.

Whereas, the Anderson County Council has duly advertised and held a Public Hearing on February 17, 2026, regarding said amendment of the Anderson County Official Zoning Map:

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

1. The Anderson County Council hereby finds that this proposed rezoning is consistent with the Anderson County Comprehensive Plan and in accord with requirements of the South Carolina Code of Laws Title 6, Chapter 29, Article 5.
2. The Anderson County Council hereby amends The Anderson County Official Zoning Map to rezone four (4) parcels further identified as Lot 1: TMS#: 6-00-03-008; Lot 2: TMS#: 6-00-03-009; Lot 3: TMS#: 6-00-03-010 and Lot 4: TMS#: 6-00-03-011 to Rural Agriculture District (R-A) from Commercial Rural District (C-1R) adopted November 7, 2023, by Anderson County Ordinance #2023-22.
3. Should any portion of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such determination shall not affect the remaining terms and provisions of this ordinance, all of which are hereby deemed separable.
4. All orders, resolutions, and enactments 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 and effect from and after third reading and enactment by Anderson County Council.

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ATTEST: Ordinance 2025-060

Rusty Burns
Anderson County Administrator

Tommy Dunn, District #5, Chairman

Renee D. Watts
Clerk to Council

APPROVED AS TO FORM:

Anderson County Attorney

1st Reading: December 16, 2025

2nd Reading: January 6, 2026

3rd Reading: February 17, 2026

Public Hearing: February 17, 2026



Planning Commission

December 09, 2025

Agenda Item: 6A

Project Information

Subdivision Variance Land Use Rezoning

NAME OF APPLICANT/PROJECT: Cauldrick and Timber LLC / Rezoning

PROPERTY LOCATION: Old Dobbins Bridge Rd & Glenn Ferry Rd

COUNTY COUNCIL DISTRICT: 4

SCHOOL DISTRICT: 4

TOTAL ACREAGE: +/- 30.97

NUMBER OF LOTS: N/A

CURRENT ZONING: C-1R

REQUESTED ZONING: R-A

PURPOSE: Rezoning

RECOMMENDATION/DECISION RENDERED

APPROVAL DENIAL TIED TABLED VOTE 9 TO 0

Compatibility with Future Land Use Map

The recommendation of staff

Compatibility with Traffic Levels

Compatibility with Surrounding Properties

Compatibility with Density Levels

Use and value of surrounding properties

Concerns for public, health, safety, convenience, prosperity and general welfare.

Concerns for the balance of the interest of sub-dividers, homeowners and public.

Concerns for the effects of the proposed development on the local tax base.

Concerns for the ability of existing or planned infrastructure and transportation system to serve the proposed development.

Other (please elaborate): _____

Planning Commission Chairman: _____

Date: 12/9/25

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

**Anderson County Planning Commission
Staff Report-Rezoning December 9, 2025**

Applicant: CAULDRICK LAND AND TIMBER LLC

Current Owner: Same as noted

Location: Glenn Ferry Road (4 Lots)

Precinct: Fork No.2 Precinct

Council District: Four (4)

TMS#: TMS#: 6-00-03-008; 6-00-03-009; 6-00-03-010 and 6-00-03-011.

Acreage: +/- 10.0 acres

Zoning History: Ordinance # 2023-022 rezoned the entire Fork No. #2 Precinct. This portion of the precinct was rezoned from Unzoned to C-1R.

Current Zoning: C-1R (Commercial Rural)

Requested Zoning: R-A (Residential Agricultural)

The purpose of this district is to provide for a full range of agricultural activities. 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.

Surrounding Zoning: North: R-A and C-1R
South: R-20
East: C-1R, and R-A
West: C-1R and R-A

Current Land Use: Fork No. 2 Use Map indicates Agriculture use.

Future Land Use: Fork No. 2 Use Map indicates Commercial use.

Evaluation: To rezone 4 parcels to match the R-A Zoning on adjacent parcels.

Public Outreach: Staff hereby certifies that the required public notification actions have been completed on November 21, 2025 as follows:

Rezoning notification postcards were sent to 88 property owners within 2,000' of the subject property.

Rezoning notification signs posted on subject property.

Planning commission public hearing advertisement published in the Independent Mail.

Staff Assessment: At the Planning Commission Meeting during which the rezoning is scheduled to be discussed, staff will present their report for consideration by the Planning Commission and their findings will be forwarded to County Council for consideration.

LandscaperReport



January 21, 2026 Disclaimer accepted.

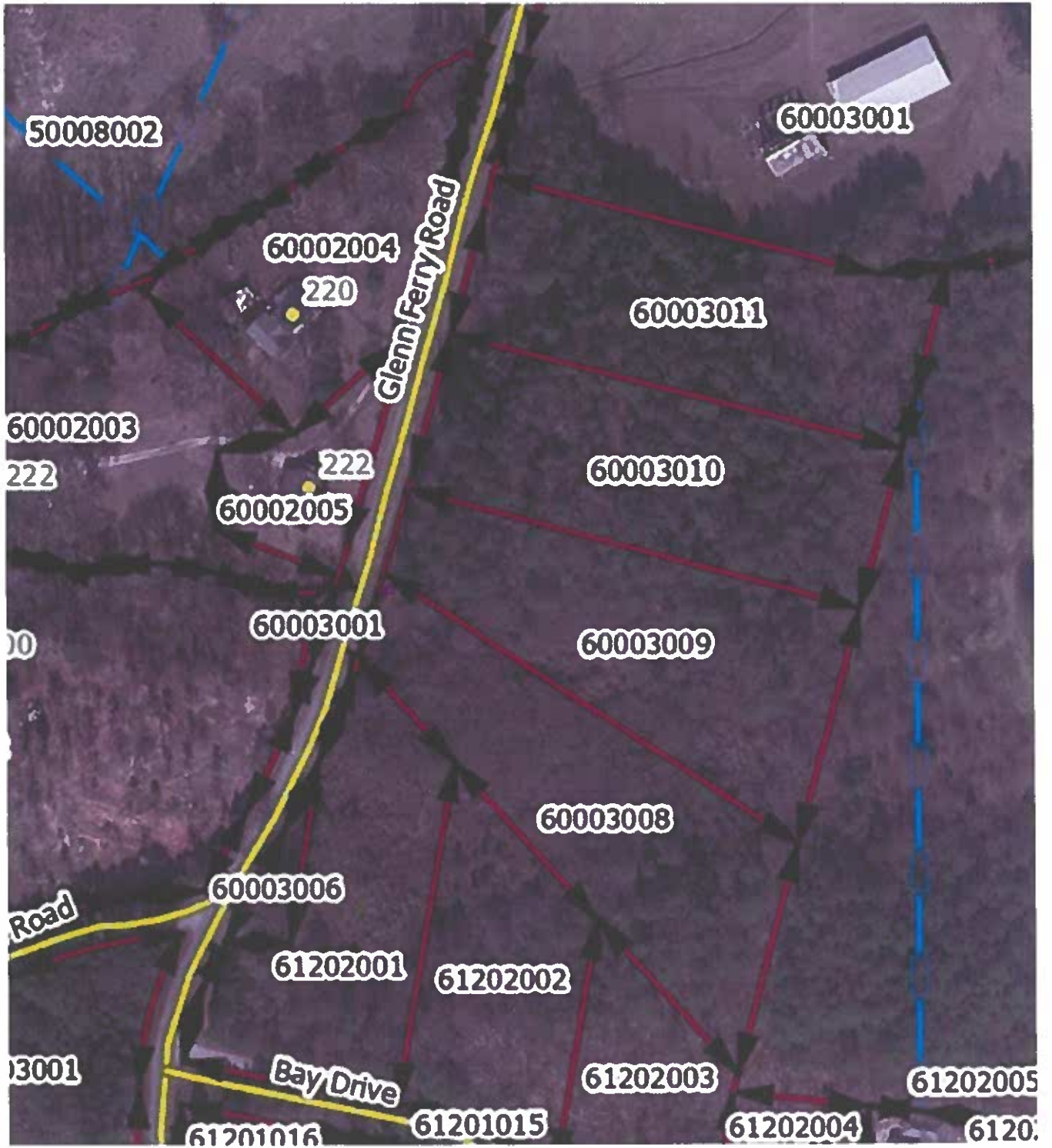
TMS: 60003001
 Deed Book: 17746
 Tax District: 4
 Sale Year: 2024
 Deed Page: 253
 Description: OLD DOBBINS BRIDGE RD 30.87AC
 Sale Price: \$315,000
 Market Value: \$314,980

1:3,838



ESRI, Highland Mapping, and Anderson County GIS

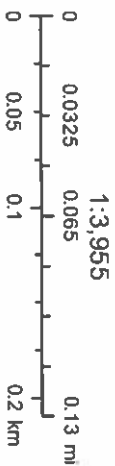




Anderson County



July 25, 2025



ESRI, Highland Mapping, and Anderson County GIS

Rezoning Application

RZ-25-2

Submitted On: Jun 23, 2025

Applicant

 David Patrick
 864-506-0416
 jpatrick@reedypg.com

Primary Location

Point Location: 34.5002, -82.9599

Applicant/Owner Information

Is applicant the same as the owner?

Yes

Project Information

County Council District

4

Total Acreage

10

Current Zoning

C-1R: Rural Commercial District

Purpose of Rezoning

Move Property to Residential from commercial

Are there any Private Covenants or Deed Restrictions on the Property?

No

School District

4

Please check the previous location page (step 2) or see the list of Zoning Districts ([https://viewpointcloud.blob.core.windows.net/profile-pictures/Zoning_Districts_Wed_Jan_31_2024_00:49:43_GMT+0000_\(Coordinated_Universal_Time\).pdf](https://viewpointcloud.blob.core.windows.net/profile-pictures/Zoning_Districts_Wed_Jan_31_2024_00:49:43_GMT+0000_(Coordinated_Universal_Time).pdf)) for more information.

Requested Zoning

R-A: One acre minimum lot area

Additional Information or Comments

Owner is Cauldrick Land and Timber, LLC David J Patrick is Manager.

If you indicated no, your digital signature is required.

true

Public Hearing Schedule

Verification of Acknowledgement

true

Planning Commission Meetings

Verification of Acknowledgement

true

For Office Use Only

Planning Commission Public Hearing

--

Planning Commission Decision

--

County Council Public Hearing - 1st Reading

--

County Council Public Hearing - 2nd Reading

--

County Council Public Hearing - Final Reading and Adoption

--

County Council 1st Reading Decision

--

County Council 2nd Reading Decision

--

County Council Final Reading and Adoption Decision

--



(To Be Filed With The Planning Department)

Name of Applicant: DAVID J. PATRICK, MANAGER OF CAULDRICK LAND & TIMBER, LLC

Location of Rezoning: GLENN FERRY ROAD, FAIR PLAY, SC 34,5002, -82,7599

Address: LOT 1 - LOT 4 GLENN FERRY ROAD, FAIRPLAY SC

#: USED TO BE PART OF 60003001

County Council District: # 4

Requested zoning from C-1R to R-A

Form certifies that the below signed applicant held a public/community meeting located

SENT LETTERS on

date) AUGUST 19TH and fully complied with the rezoning requirements

submission before the Planning Commission.

Public Recommendation: (Please attach any additional pages)

NO NEGATIVE COMMENTS

SPOKE TO BRETT SANDERS SEPT 18TH, 2025

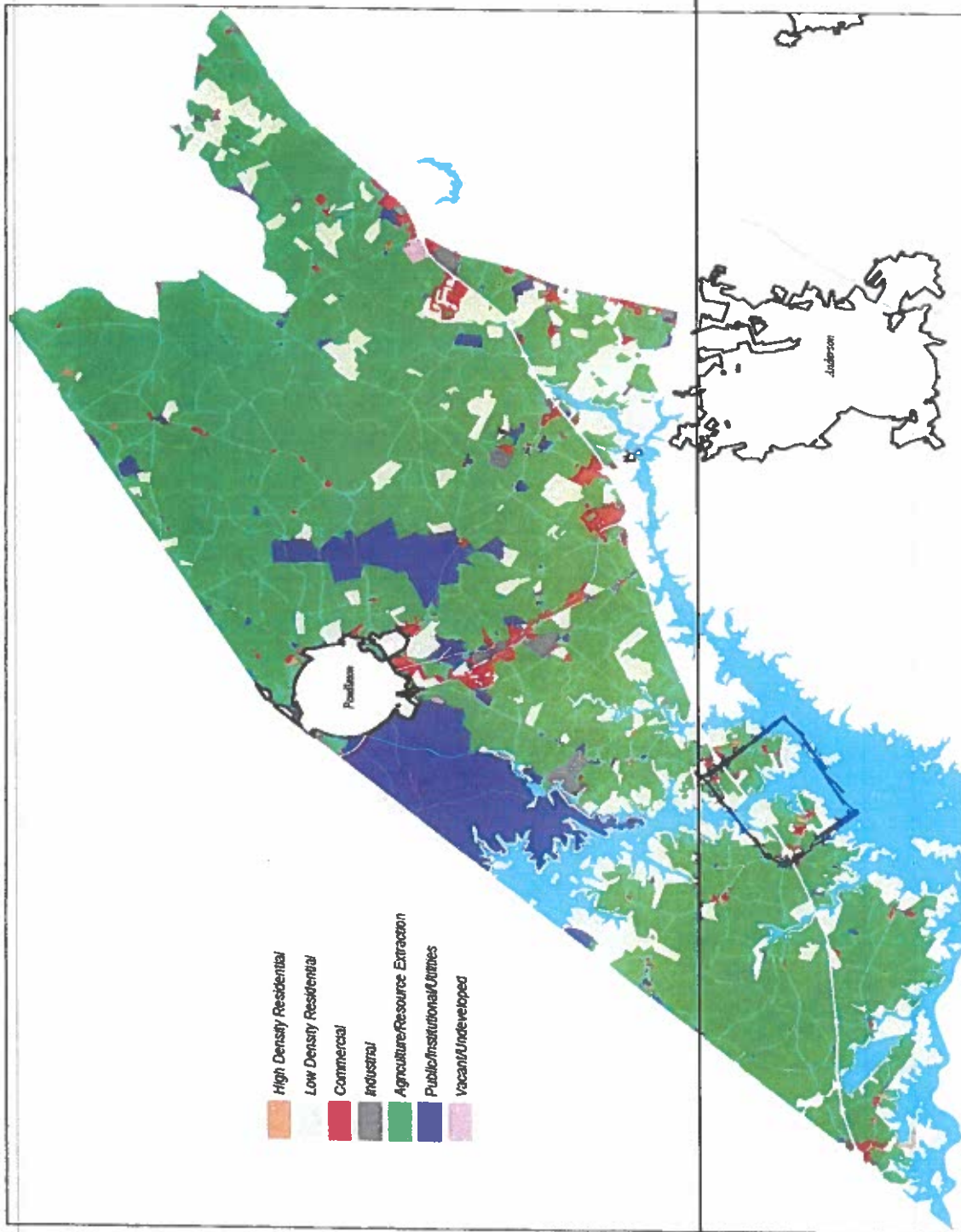
AND HE SUPPORTED THE CHANGE AS WELL

[Signature]
Signature of Applicant

10/22/25
Date



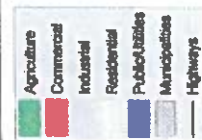
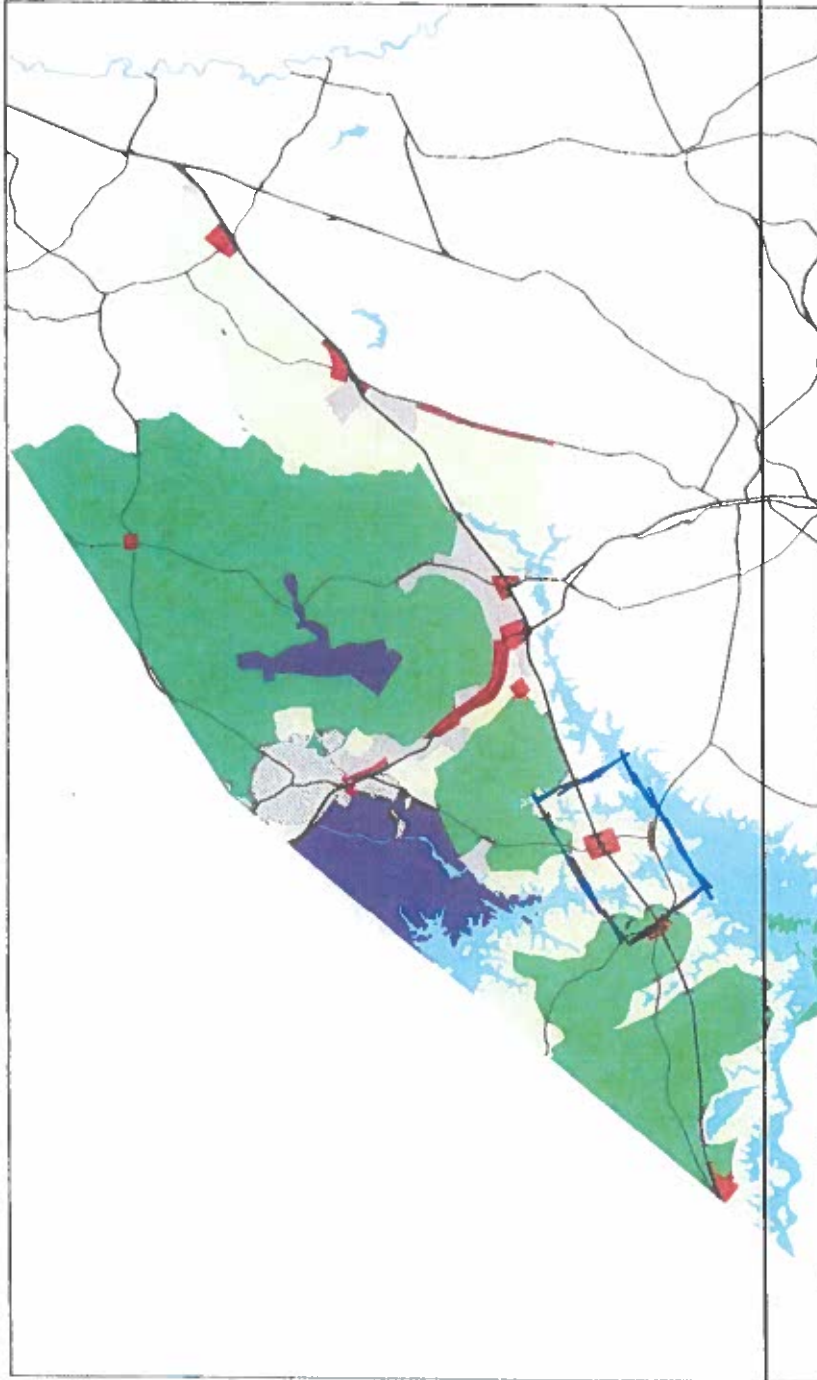
Map 7.5 Current Land Use, Council District 4





Map 7.13 Future Land Use, Council District 4

County Council District 4
Future Land Use



This is a conceptual illustration of the proposed future land use plan for Council District 4. It is not intended to be a final plan and is subject to change. The plan is based on the information provided by the public and the staff of the Anderson County Planning Department. The plan is subject to the approval of the Anderson County Council.

ORDINANCE NO. 2026-005

A MASTER BOND ORDINANCE OF ANDERSON COUNTY, SOUTH CAROLINA PROVIDING FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO DEFRAY THE COSTS OF TOURISM-RELATED PROJECTS SECURED BY CERTAIN COUNTY FEES; DEFINING THE TERMS AND SECURITY FOR SUCH BONDS; AND OTHER MATTERS RELATING THERETO

MASTER BOND ORDINANCE

Enacted February 17, 2026

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NOW THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF ANDERSON COUNTY, IN MEETING DULY ASSEMBLED, THAT:

ARTICLE I

FINDINGS AND DETERMINATIONS

Section 1.01 Findings and Determinations.

Incident to the enactment of this master bond ordinance (this “**Bond Ordinance**”, as further defined herein), the County Council of Anderson County (the “**County Council**”), the governing body of Anderson County, South Carolina (the “**County**”), finds that the facts set forth in this Article exist, and the statements herein are in all respects true and correct:

(A) The County is a body corporate and politic of the State of South Carolina (the “**State**”) and as such possesses all the general powers granted to counties of the State by the Constitution of the State of South Carolina 1895, as amended (the “**Constitution**”), and statutes of the State.

(B) Article X, Section 14(10) of the Constitution provides that indebtedness payable from a special source, which source does not involve revenues from any tax or license, may be issued upon such terms and conditions as the General Assembly may prescribe by general law.

(C) Under Section 6-1-760(B) of the Code of Laws of South Carolina 1976, as amended (the “**Bond Act**”), “[a]ny county . . . is authorized to issue bonds, pursuant to Section 14(10), Article X of the Constitution of this State, utilizing the procedures of Section 4-29-68, Section 6-17-10 and related sections, or Section 6-21-10 and related sections, for the purposes enumerated in Section 6-1-530, to pledge as security for such bonds and to retire such bonds with the proceeds of . . . accommodations fees imposed under [the Accommodations Fee Act] . . . and the pledge of such other nontax revenues as may be available for those purposes for capital projects used to attract and support tourists.”

(D) The County Council enacted Ordinance No. 97-006 entitled, “AN ORDINANCE FOR THE PURPOSE OF ESTABLISHING AN ACCOMMODATIONS FEE TO APPLY TO ALL ACCOMMODATIONS LOCATED IN ANDERSON COUNTY, SOUTH CAROLINA AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE” dated March 4, 1997, effective as of July 1, 1997, and as amended by Ordinance No. 97-022 enacted by the County Council on September 16, 1997 (as amended, the “**Accommodations Fee Ordinance**”).

(E) Pursuant to the Accommodations Fee Ordinance, the County imposed a local accommodations fee (the “**Accommodations Fee**”) equal to 3% on the gross proceeds derived from the rental of any accommodation within the County.

(F) The County has been collecting the Accommodations Fee since July 1, 1997, the revenues of which have been segregated into a fund known as the “Anderson County

Accommodations Fee Special Revenue Fund” (the “*Accommodations Fund*”) and used for the purposes set forth at Section 6-1-530 of the Accommodations Fee Act.

(G) County Council finds and confirms that the Accommodations Fee remains authorized and effective under the Bond Act and the Accommodations Fee Act, the same having been imposed pursuant to the Accommodations Fee Ordinance, which was enacted by positive majority of County Council following a public hearing. County Council further finds that the Accommodations Fee imposed pursuant to the Accommodations Fee Ordinance does not exceed the three percent maximum cumulative rate prescribed in Section 6-1-540, is calculated upon a base consistent with Section 6-1-510(1), and the revenue from the Accommodations Fee is used for the purposes enumerated in Section 6-1-530.

(H) The South Carolina Supreme Court in *Brown v. County of Horry*, 308 S.C. 180 (1992) held that a local imposition of a fee would be classified as a fee and not a tax if

- (1) the revenue generated is used to the benefit of the payers, even if the general public also benefits
- (2) the revenue generated is used only for the specific improvement contemplated
- (3) the revenue generated by the fee does not exceed the cost of the improvement and
- (4) the fee is uniformly imposed on all the payers.

C.R. Cambell Const. Co. v. City of Charleston, 325 S.C. 235 (1997). *Brown* was superseded by statute as recognized in *Burns v. Greenville County Council*, 433 S.C. 583 (2021), which held that through the enactment of Act No. 138 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 1997, as amended, the South Carolina General Assembly adopted a definition of fee that was more restrictive than the definition adopted by the Supreme Court of South Carolina in *Brown* in striking down two local charges imposed by Greenville County Council as improper local taxes. 433 S.C. at 590.

(I) Following *Burns*, however, in 2022, the South Carolina General Assembly enacted Act No. 236, which replaced the definition of “service or user fee” under Section 6-1-300(6) with the definition previously adopted by the Supreme Court of South Carolina in *Brown*.

(J) Following Act No. 236, under Section 6-1-300(6), a governmental charge is a fee or uniform service charge and not a tax provided that revenue generated from the fee must: “(a) be used to the benefit of the payers, even if the general public also benefits; (b) only be used for the specific improvement contemplated; (c) not exceed the cost of the improvement; and (d) be uniformly imposed on all payers.”

(K) County Council finds that the Accommodations Fee is a service or user fee and not a tax under Section 6-1-300(6) as revenues from the Accommodations Fee shall only be used “to build and operate capital projects and to support tourism and tourist services in a manner which will serve and attract tourists and benefit those tourists who regularly seek accommodations in Anderson County.” County Council further finds that (i) the Accommodations Fee is used only to benefit tourism related facilities due to the restrictions in the Accommodations Fee Act, the Bond Act, and the Accommodations Fee Ordinance, (ii) the tourist payers benefit because funds from the receipts of the Accommodations Fee are used solely to provide facilities benefitting tourists in

the County, (iii) the Accommodations Fee does not generate more revenue than the County spends on tourism-related facilities and in fact the Bonds (as defined herein) authorized hereby are necessary because the cost of tourism related facilities in the County vastly exceeds the amount available for such purposes using annual Accommodations Fee receipts, and (iv) all payers pay a uniform percentage of 3% of the amount charged for accommodations. *See C.R. Campbell Const. Co.*, 325 S.C. at 235 (applying the *Brown* factors in upholding a real estate transfer fee using an analogous analysis).

(L) In order to ensure that the Bonds authorized hereunder shall obtain the best prices and lowest cost of capital, the County finds that pledging additional nontax revenues in the form of Designated Park Fees (as further defined herein), is in the best interest of the County. Such amounts, when combined with the receipts of the Accommodations Fee comprise the Pledged Revenues (as further defined herein).

(M) The County presently has no outstanding indebtedness secured by or payable from the Pledged Revenues.

(N) The Bonds authorized hereunder shall be issued for those purposes enumerated in Section 6-1-530 of the Code of Laws of South Carolina 1976, as amended and for those purposes as may be authorized by the laws of the State of South Carolina, and shall be secured by the Pledged Revenues.

(O) It is now in the best interests of the County Council to provide for the issuance and sale of Bonds of the County pursuant to the Bond Act and the Constitution to defray the costs of Projects (as defined herein).

* * *

ARTICLE II

DEFINITIONS, CONSTRUCTION, AND INTERPRETATIONS

Section 2.01 Definition of Ordinance.

This ordinance may be hereafter cited and is hereinafter sometimes referred to as the “**Bond Ordinance**”; such term shall include all ordinances supplemental to, or amendatory of, this Bond Ordinance.

Section 2.02 Defined Terms.

In this Bond Ordinance, terms defined in Article I shall have the meaning assigned therein, and unless a different meaning clearly appears from the context, the following terms shall have the following respective meanings:

“**2010 Park Agreement**” means the agreement, as may be amended from time to time, between the County and Greenville County authorized pursuant to Ordinance No. 2010-026 of County Council, as may be amended from time to time, entered into in accordance with and pursuant to the authorization granted in the Park Act.

“**Accommodations Fee**” means the fee imposed by the 1997 Accommodation Fee Ordinance.

“**Accommodations Fee Act**” means Title 6, Chapter 1, Article 5 of the South Carolina Code, as may be amended or supplemented from time to time.

“**Accommodations Fee Special Revenue Fund**” means the fund created by that name pursuant to the Accommodations Fee Ordinance, and which serves as the Revenue Fund hereunder.

“**Accommodations Fee Ordinance**” has the meaning given in Section 1.01 hereof, together with all amendments and supplements from time to time.

“**Accountant**” means an independent firm of certified public accountants of suitable standing selected by the County who audit the books, records, and accounts of the County.

“**Accounting Principles**” means generally accepted accounting principles and practices applicable to governmental entities.

“**Accreted Value**” means the amounts set forth in, or the amounts determined in the manner set forth in, a Series Ordinance authorizing the issuance of Bonds in the form of Capital Appreciation Bonds.

“Annual Budget” means, for a Fiscal Year, the budget or amended budget of the County adopted with respect to such Fiscal Year, to include certain appropriations as provided in or required by provisions of this Bond Ordinance.

“Annual Principal and Interest Requirement” means, with respect to any particular Fiscal Year and to a Series of Bonds Outstanding, an amount (other than amounts paid from proceeds of Bonds) equal to the sum of (i) all interest payable on such Series of Bonds during such Fiscal Year, plus (ii) any Principal Installment of such Series of Bonds during such Fiscal Year, minus (iii) any Interest Payment Subsidies received by or on deposit with the County for such Series of Bonds during such Fiscal Year and used to pay debt service on such Series of Bonds during such Fiscal Year.

For purposes of computing the Annual Principal and Interest Requirement:

(a) With respect to Balloon Indebtedness, the amount of principal which would be payable in such Fiscal Year if the principal of such Balloon Indebtedness to be amortized in succeeding Fiscal Years were amortized from the date of incurrence of such Balloon Indebtedness over a period of 20 years (or such shorter period as the County may choose) on a level debt service basis at an interest rate set forth in a certificate or opinion of an Independent Consultant as the interest rate at which the County could reasonably expect to borrow the same by issuing an obligation with the same term and a fixed rate of interest as assumed above (and this method of determining the applicable interest rate shall control in the case of existing or prospective Balloon Indebtedness issued as Variable Rate Bonds); provided, however, that if the date of calculation is within 12 months of the stated maturity of such Balloon Indebtedness, the full amount of principal payable at maturity shall be included in such calculation unless (1) a binding commitment to refinance such Balloon Indebtedness shall be in effect, in which case the amortization schedule established by such commitment shall apply or (2) the County has received a letter from an Independent Consultant to the effect that such firm has evaluated the creditworthiness of the County and concluded that it is reasonable to assume that the County will have access to the debt markets at reasonable interest rates and setting forth the projected interest rate and assumed maximum amortization schedule for such debt, in which case the amortization schedule and projected interest rate established by such letter shall apply.

(b) With respect to Variable Rate Bonds, the interest on such Series of Bonds shall be calculated at (1) in the case of Outstanding Variable Rate Bonds, the rate which is equal to the average of the actual interest rates which were in effect (weighted according to the length of the period during which each such interest rate was in effect) for the most recent 12-month period immediately preceding the date of calculation for which such information is available (or shorter period if such information is not available for a 12-month period) and (2) in the case of Variable Rate Bonds proposed to be incurred, the rate which is equal to the average of the SIFMA Municipal Swap Index (or any other specified index or reference rate for such Variable Rate Bonds) for the most recent 12-month period immediately preceding the date of calculation (or, if the SIFMA Municipal Swap Index or such other index or reference rate is not available for such 12-month period, the Revenue Bond Index most recently published by The Bond Buyer), plus or minus any specified fixed spread.

(c) The amounts available in the Debt Service Reserve Fund established for a Series of Bonds may be applied against the interest payable on and the Principal Installments due on such Series of Bonds in the last Fiscal Year that such Series of Bonds is Outstanding.

“Authorized Investments” means, within the limitations set forth herein, any investments now or hereafter permitted under Section 6-5-10 of the South Carolina Code, or any successor or similar statute, and shall also include the South Carolina Pooled Investment Fund (including the Local Government Investment Pool) established at Sections 6-6-10 to 6-6-40 of the South Carolina Code or any successor or similar statute and as the same may be further limited pursuant to the provisions of a Series Ordinance.

“Authorized Officer” means the Chairman, the County Administrator, the Chief Financial Officer of the County, or any other official authorized by resolution or ordinance (including a Series Ordinance) of the County Council to act on behalf of the County under this Bond Ordinance, any one of whom may act individually as the Authorized Officer. A certificate of incumbency and specimen signature shall be delivered to the Trustee at the closing of each Series of Bonds and from time to time as necessary to establish the Authorized Officers.

“BAN Act” means Title 11, Chapter 17, of the South Carolina Code.

“Balloon Indebtedness” means a Series of Bonds, 25% or more of the original principal of which matures during any consecutive 12-month period, if such maturing principal amount is not required to be amortized below such percentage by mandatory redemption or prepayment prior to such 12-month period.

“Bond Anticipation Note” means any Note or other obligation issued under the BAN Act or the Enabling Act in anticipation of the issuance of Bonds.

“Bond Act” has the meaning given such term in Section 1.01 hereof.

“Bond Counsel” means an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal, state, and public agency financing, selected by the County.

“Bond Fund” shall mean the fund of that name established pursuant to Section 7.03 hereof, and shall include the accounts and subaccounts therein. This fund is designed to provide for the payment of the Principal Installment of, premium, if any, and interest on all Bonds Outstanding and issued pursuant hereto, as the same respectively fall due. This fund constitutes the “bond and interest redemption fund” as such term is used in the Enabling Act.

“Bond Fund Account” means the account of that name created in the Bond Fund and established for each respective Series of Bonds issued under the terms hereof. Within each Bond Fund Account, the Trustee may, but is not required to, further create an interest account, principal account, and bond redemption account with respect to each such Series of Bonds.

“Bondholder,” “Holder,” “Owner,” “Registered Holder,” or “Registered Owner” or any similar term, (i) when used in reference to a registered Bond or Bonds, means any person who

shall be the registered owner of any Outstanding Bond, (ii) when used in reference to Bonds issued in bearer form, the holder of any such Bond, and (iii) when used in reference to Bonds consisting of contractual obligations not in the form of an instrument under Section 4.22 hereof, the party entitled to enforce the County's payment obligation thereunder.

"Bond Ordinance" means this Master Bond Ordinance and all ordinances supplemental to or amendatory thereof.

"Bond Payment Date" means an Interest Payment Date, a Principal Payment Date, or a date consisting of both an Interest Payment Date and a Principal Payment Date.

"Bonds" means any indebtedness or obligations (issued as tax-exempt or taxable obligations), including those entered into under the provisions of long-term contracts payable from the Pledged Revenues entered into under Section 4.22 hereof, issued in accordance with the provisions of the Enabling Act, this Bond Ordinance, and a Series Ordinance, excluding indebtedness or obligations incurred in accordance with Article VI hereof.

"Business Day" means, except as set forth in a Series Ordinance with respect to the Series of Bonds issued thereunder, any day other than a Saturday, a Sunday, a day on which banking institutions in the State or in the State of New York are required or authorized by law (including executive orders) to close, or a day on which the United States federal reserve payment system is not operational.

"Capital Appreciation Bonds" means Bonds that bear interest payable only at maturity or payable prior to maturity only on the redemption dates set forth in, and in the amounts determined by reference to the Accreted Value established in accordance with the provisions of the Series Ordinance authorizing the issuance of such Capital Appreciation Bonds.

"Capital Renewal and Replacement Fund" means the fund created by Ordinance No. 2021-030.

"Chairman" means the Chairman of County Council.

"Clerk" means the Clerk to County Council.

"Code" means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations issued thereunder, in each case, as from time to time in force.

"County" has the meaning given such term in Section 1.01 hereof.

"County Administrator" means the County Administrator of the County.

"County Council" has the meaning given such term in Section 1.01 hereof.

"Date of Issue" means that date established in, or by the manner set forth in, any Series Ordinance from which interest shall accrue on the Bonds of the applicable Series.

“Debt Service Reserve Fund” means the fund, if any, so designated and established (i) to secure the timely payment of the Principal Installments of and interest on an applicable Series of Bonds Outstanding and issued pursuant to this Bond Ordinance and the applicable Series Ordinance, and (ii) to provide for the redemption of such Series of Bonds Outstanding prior to their stated maturity, as established by the provisions of Section 7.04 hereof.

“Defeasance Obligations,” unless otherwise provided in a Series Ordinance for a particular Series of Bonds, mean non-callable: (i) Government Obligations; (ii) evidences of ownership of a proportionate interest in specified Government Obligations, which Government Obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian; (iii) U.S. Treasury Securities–State and Local Government Series Securities; and (iv) AAA-rated general obligation bonds issued by at least one nationally recognized credit rating organization, of the State, its institutions, agencies, school districts, and political subdivisions.

“Depository” means any bank or trust company selected by the County as a depository of moneys or securities held under the provisions of this Bond Ordinance and may include the Trustee.

“Depreciation and Contingent Fund” means the fund herein so designated and established to provide for the replacement of depreciated or obsolete parts of a Project and for improvements, betterments, and extensions of a Project, as established by the provisions of Section 7.06 hereof.

“Designated Park Fees” means 35% of Park Fees from property added to the Park created by the 2010 Park Agreement during fiscal year ended June 30, 2022 and after. Such amount is deposited to the Capital Renewal and Replacement Fund after the County makes the deposit of the 15% of Park Fees to the Revenue Fund created by Ordinance No. 2018-042.

“Electronic Means” means the following communications methods: e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys, or another method or system specified by the Trustee as available for use in connection with its services hereunder.

“Enabling Act” means (i) as to the initial Series of Bonds issued hereunder, the Bond Act and Title 6, Chapter 21 of the South Carolina Code, and (ii) as for any subsequent issuance, Title 6, Chapter 21 or Title 6, Chapter 17 of the South Carolina Code, or any combination thereof, and all other statutory authorizations as may be available from time to time, authorizing and enabling the County to enact this Bond Ordinance and issue Bonds hereunder, all as may be amended from time to time.

“Events of Default” means those events set forth in Section 13.01 of this Bond Ordinance.

“Fee Account” means the account of that name within the Revenue Fund established pursuant to Section 7.01 hereof and encompasses the Accommodations Fee Special Revenue Fund and the Capital Renewal and Replacement Fund.

“**Fiscal Year**” means the period of 12 calendar months, beginning on July 1 of each year and ending on June 30 of the following year, unless the same shall have been changed by the County pursuant to the authorization contained in Section 3.01 hereof.

“**Government Obligations**” means: (i) direct obligations of the United States of America for the payment of which the full faith and credit of the United States of America are pledged; (ii) obligations, the payment of the principal (if any), or the interest (if any) on which is fully guaranteed as a full faith and credit obligation of the United States of America; and (iii) obligations issued by the Federal Home Loan Bank and/or the Federal National Mortgage Association as permitted by Section 6-5-10(a)(2) of the South Carolina Code.

“**Independent Consultant**” means such firm or firms, professional engineers, architects, financial advisors, accountants, rate consultants, or other professionals who are nationally recognized and have a favorable reputation for consulting services for local governments similar to the County. Such Independent Consultant shall not be an employee of the County and shall be engaged by the County to perform the tasks set forth to be performed by such Independent Consultant under the provisions of this Bond Ordinance.

“**Insurer**,” with respect to any Series of Bonds, means an insurance company that has written a Municipal Bond Insurance Policy covering such Series of Bonds.

“**Interest Account**” shall mean each account of that name within the Bond Fund established with respect to the Bonds or any Series of additional bonds established pursuant to Section 7.02 hereof, and shall include the sub-accounts therein.

“**Interest Payment Date**” means, for a particular Series of Bonds, date or dates on which interest shall be due, as may be established, or established in a manner otherwise delegated, in accordance with the Series Ordinance authorizing such Bonds.

“**Interest Payment Subsidies**” means refundable tax credit subsidies or direct payments payable to the County from the federal government under any section of the Code that authorizes such tax credits or sums borrowed in a Series of Bonds for the purpose of paying all or a portion of the interest due on a Series of Bonds on specific Bond Payment Dates, as applicable.

“**Junior Lien Bonds**” means any revenue bonds issued by the County or other obligations entered into by the County including such obligations under the provisions of long-term contracts, which are secured by pledges of the Pledged Revenues on a junior and subordinate basis in all respects to the pledges and liens made to secure Bonds, to the payment of debt service on Bonds, and to the payment by the County of all Operation and Maintenance Expenses.

“**Moody’s**” shall mean Moody’s Investors Service, Inc., or its successors.

“**Municipal Bond Insurance Policy**” means any municipal bond insurance policy insuring the payment, when due, of the Principal Installments of and interest on a Series of Bonds.

“Office of State Treasurer” means the Office of State Treasurer of the State.

“Operation and Maintenance Expenses” means, for the period in question, all expenses incurred in connection with the administration and the operation of Projects, including, without limiting the generality of the foregoing, such expenses as may be reasonably necessary to preserve the Projects in good repair and working order.

“Operation and Maintenance Fund” means the fund established by the provisions of Section 7.05 hereof and which is designed to provide for the payment of all Operation and Maintenance Expenses. This fund constitutes the “operation and maintenance fund” as such term is defined in the Enabling Act.

“Other Available Moneys Account” means the account of that name established within the Revenue Fund pursuant to Section 7.05 hereof.

“Other Obligations” means Special Source Revenue Credits.

“Outstanding,” when used with reference to any Bonds, subject to Section 13.01 hereof, and except as may be modified for any Series of Bonds pursuant to the provisions of a Series Ordinance, means, as of any date, all such Bonds theretofore or then being authenticated and delivered except:

- (1) Bonds cancelled at or prior to such date;
- (2) Bonds in lieu of or in substitution for which other Bonds shall have been executed and delivered;
- (3) Bonds deemed to have been paid as provided in Article XVI hereof; and
- (4) for purposes of any consent or other action to be taken by the Holders of a specified percentage of Bonds, Bonds, as to which a Responsible Officer has actual knowledge, held by, or for the account of, the County, or by any person controlling, controlled by, or under common control with the County (unless all Bonds are so held).

“Park” shall mean any multi-county business park created pursuant to a Park Agreement.

“Park Act” shall mean Section 4-1-170 of the South Carolina Code and Article VIII, Section 13(D) of the Constitution of the State of South Carolina, 1895, as amended.

“Park Agreement” shall mean any current or future agreement for the development of a Park between the County and a partner county, as the same may be amended from time to time, entered into in accordance with and pursuant to the authorization granted in the Park Act.

“**Park Fees**” means those fees the County is entitled to receive pursuant to the terms of the 2010 Park Agreement. Park Fees are net of any payments due in a Fiscal Year as a result of Other Obligations and are net of any amounts due to Greenville County under the 2010 Park Agreement.

“**Paying Agent**” means the financial institution which is authorized in writing by the County Council to pay the Principal Installments of or interest on and redemption premium, if any, on any Bonds and having the duties, responsibilities and rights provided for in this Bond Ordinance and any Series Ordinance, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Bond Ordinance. Pursuant to the provisions of Section 12.02 of this Bond Ordinance, the Trustee appointed for a Series of Bonds shall serve as Paying Agent.

“**Pledged Revenues**” means:

- (a) all receipts of the Accommodations Fee (net of contractual disbursements to other political subdivisions);
- (b) all receipts of Designated Park Fees;
- (c) all interest and other income received directly or indirectly by the County from the investment of Pledged Revenues; excluding, however, investment income restricted to a purpose inconsistent with the payment of operating expenses or debt service, and specifically excluding (whether or not so restricted) interest earned on any Project Fund created with the proceeds of any borrowing by the County; and
- (d) all Interest Payment Subsidies to the extent such monies are not otherwise used to pay debt service on a Series of Bonds. Any Interest Payment Subsidies received by the County and used to pay debt service on a Series of Bonds shall not be included in Pledged Revenues.

All amounts received as *ad valorem* taxes shall not be included in Pledged Revenues.

“**Principal Account**” shall mean each account of that name within the Bond Fund established with respect to the Bonds or any Series of additional bonds established pursuant to Section 7.03 hereof, and shall include the sub-accounts therein.

“**Principal Installment**” means, as of any date of calculation, (i) the aggregate principal amount of Outstanding Bonds due on a Bond Payment Date, reduced by the aggregate principal amount of such Bonds which would be retired by reason of the payment when due of, and application in accordance with, any mandatory sinking fund payment payable before such future date, plus (ii) any mandatory sinking fund payment due on such certain future date, together with the aggregate amount of the premiums, if any, applicable to such mandatory sinking fund payments, plus (iii) with respect to any Capital Appreciation Bonds required to be paid on such certain date, the Accreted Value as of such certain date of such Capital Appreciation Bonds; and in this latter respect, any reference to “principal” of Bonds in this Bond Ordinance means, with respect to Capital Appreciation Bonds, the Accreted Value of such Capital Appreciation Bonds as of the date of calculation.

“Principal Payment Date” means, for a particular Series of Bonds, the date or dates on which a Principal Installment shall be due, as may be established, or established in a manner otherwise delegated, in accordance with the Series Ordinance authorizing such Bonds.

“Project” means any capital project described at Section 6-1-540 of the Accommodations Fee Act and identified to be financed or refinanced with Bonds pursuant to a Series Ordinance.

“Project Fund” means any fund created by and designated as such in a Series Ordinance, in accordance with Section 7.07 hereof.

“Rating Agencies” shall mean any credit rating agency then rating the Bonds.

“Record Date” means the 15th day of the month immediately preceding each Bond Payment Date (or such other time or times as shall be prescribed by any applicable Series Ordinance).

“Redemption Price” means, with respect to Bonds of any Series or a portion thereof, the principal amount of such Bonds or portion thereof plus the applicable premium, if any, and accrued interest payable upon redemption thereof in the manner contemplated in accordance with its terms, this Bond Ordinance, and the applicable Series Ordinance.

“Registrar” means the Trustee or any bank, trust company, or national banking association which is authorized in writing by the County to maintain an accurate list of those who from time to time shall be the Holders of Bonds of a particular Series and to effect the transfer of such Bonds in accordance with the provisions of this Bond Ordinance and having the duties, responsibilities, and rights provided for in this Bond Ordinance and any Series Ordinance, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Bond Ordinance; however, the County Council may, pursuant to a Series Ordinance, authorize the County to serve as Registrar for the applicable Series of Bonds, in lieu of the Trustee or institutions referred to above.

“Reserve Requirement” means as of any date of calculation, the debt service reserve requirement, if any, established by a Series Ordinance authorizing a Series of Bonds.

“Responsible Officer” means, when used with respect to the Trustee, any vice president, assistant vice president, senior associate, associate or other officer of the Trustee having direct responsibility for the administration of this Bond Ordinance.

“Revenue Fund” means the fund of that name established pursuant to Section 7.02 hereof.

“Securities Depository” means The Depository Trust Company, or any other recognized securities depository selected by the County, which securities depository maintains a book-entry system in respect of the Bonds of any Series, and shall include any substitute for or successor to the securities depository initially acting as Securities Depository.

“Securities Depository Nominee” means, as to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name there shall be registered on the registration books maintained by any Registrar, the Bond certificates to be delivered to and immobilized at such Securities Depository during the continuation with such Securities Depository of participation in its book-entry system.

“Serial Bonds” means the Bonds of any Series which are stated to mature in installments and for which there are no mandatory sinking fund provisions.

“Series” means all of the Bonds authenticated and delivered on original issuance in a simultaneous transaction and designated as a single Series as authorized by the authorizing Series Ordinance, and any Bonds thereafter authenticated and delivered in lieu of or in substitution for (but not to refund) such Bonds as herein provided, regardless of variations in maturity, interest rate or other provisions.

“Series Ordinance” means an ordinance enacted by County Council authorizing the issuance of a Series or multiple Series of Bonds pursuant to this Bond Ordinance in accordance with the terms and provisions hereof, in accordance with Article IV hereof.

“Special Source Revenue Credit” shall mean any credit heretofore or hereafter granted by the County against any Park Fee in accordance with the South Carolina Code to any entity having property in any Park.

“South Carolina Code” means the Code of Laws of South Carolina 1976, as from time to time amended.

“State” has the meaning given such term in Section 1.01 hereof.

“S&P” means S&P Global Ratings, or its successors.

“Term Bonds” means the Bonds of any Series which are stated to mature in a single year and which are subject to mandatory sinking fund redemption prior to the stated maturity date.

“Trustee” means the financial institution serving as Trustee in accordance with this Bond Ordinance, and which shall have such other duties, privileges and functions as are set forth herein. Such term shall include any successor and any corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee hereunder. Such term shall include any successor and any corporation or association resulting from or surviving any consolidation or merger to which it or its successors may be a party.

“Variable Rate Bonds” means, for any period of time, any Bonds which during such period bear interest at a variable rate; provided that Bonds, the interest rate on which has been fixed for the remainder of the term thereof, shall no longer be Variable Rate Bonds.

Section 2.03 Interpretations.

In this Bond Ordinance, unless the context otherwise requires:

(a) Articles, Sections, and paragraphs referred to by number mean the corresponding Articles, Sections, and paragraphs of this Bond Ordinance.

(b) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations, or other legal entities, including public bodies, as well as natural persons.

(c) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder,” and any similar terms, as used in this Bond Ordinance, refer to this Bond Ordinance or Sections or paragraphs of this Bond Ordinance and the term “hereafter” mean any date after the date of enactment of this Bond Ordinance.

(d) Unless otherwise specified herein, all accounting terms used herein without definition shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with Accounting Principles. In the event of changes to Accounting Principles which become effective after the date of enactment of this Bond Ordinance, the County may in good faith effect appropriate amendments to this Bond Ordinance so as to perpetuate the meaning and effect of Accounting Principles as in effect on the date of enactment of this Bond Ordinance.

(e) References to the payment of principal of Bonds shall be deemed to include payment of principal at maturity, at redemption pursuant to optional redemption, and by mandatory redemption pursuant to any sinking fund payment obligations.

(f) The Trustee and any other fiduciary shall be deemed to hold an Authorized Investment in which money is invested pursuant to the provisions of this Bond Ordinance, even though such Authorized Investment is evidenced only by a book entry or similar record of investment in the name of the Trustee or such other fiduciary.

(g) Three asterisks mark the end of each Article.

* * *

ARTICLE III

FISCAL YEAR

Section 3.01 Establishment and Modification of Fiscal Year.

The County shall be operated on a Fiscal Year basis, which shall commence on the 1st day of July of each year and shall end on the 30th day of June of the following year. The County may, by ordinance duly enacted by the County Council, change the Fiscal Year at any time from that now existing to a different twelve-month period. Upon any change to the Fiscal Year, the County shall provide the Trustee a copy of the ordinance authorizing such change.

* * *

ARTICLE IV

THE BONDS

Section 4.01 Authorization for Bonds in Series.

- (a) From time to time and for the purposes of:
 - (1) obtaining funds to defray the costs of a Project, including the recoupment or reimbursement of funds already so expended;
 - (2) providing funds for the payment of any Bond Anticipation Note issued in order to defray the cost of a Project and that were issued in anticipation of the issuance and sale of Bonds;
 - (3) refunding Bonds or other obligations issued to finance a Project or improvement that would qualify as a Project;
 - (4) providing funds for the payment of interest due on any Bonds;
 - (5) funding any Debt Service Reserve Fund or restoring the value of the cash and securities in any Debt Service Reserve Fund to the amount equal to its Reserve Requirement, and reimbursing amounts owed to any providers of a surety bond, line of credit, insurance policy or letter of credit established pursuant to Section 7.04(d) hereof; and
 - (6) paying the costs of issuance of Bonds, including any costs of credit enhancement therefor;

but subject to the terms, limitations, and conditions herein, the County Council may authorize the issuance of a Series of Bonds by the enactment of a Series Ordinance, and the Bonds of any such Series may be issued and delivered upon compliance with the provisions of this Article. Except as otherwise provided herein, the Bonds of each Series shall be issued in fully-registered form, without coupons, and may be issued in the form of book-entry bonds. The Bonds shall, in addition to the title “Anderson County, South Carolina Revenue Bonds (Accommodations Fee Pledge),” “Anderson County, South Carolina Limited Obligation Bonds (Accommodations Fees Pledge),” or such other appropriate designation to denote the purpose of such Series of Bonds, bear a letter or number Series designation as may be necessary to distinguish them from the Bonds of every other Series and shall designate the year in which the Series is issued. Bonds of any Series may be authorized to be issued in the form of Serial Bonds or Term Bonds, with or without mandatory sinking fund payments, or Capital Appreciation Bonds, or a combination of any of them, and may bear interest in whatever manner and payable at whatever frequency as shall be prescribed by the applicable Series Ordinance.

(b) Each Series Ordinance shall include a determination to the effect that the issuance of such Series of Bonds is necessary to provide funds to be used and expended for one or more of the purposes enumerated in subsection (a) above. In addition, in each Series Ordinance the County

Council shall specify and determine, and, as applicable, may delegate to an Authorized Officer or other person the authority to determine, the following:

- (1) The Date of Issue of such Series of Bonds or the manner or method for determining the Date of Issue and the official authorized to make such determination;
- (2) The maximum authorized principal amount of such Series of Bonds, and the manner or method of determining the precise principal amount and the official authorized to make such determination;
- (3) The Bond Payment Dates, the Record Dates, and the date or dates of maturity and the amounts thereof, for the Bonds in such Series or the manner of determining such dates and amounts and the official authorized to make such determinations, and further provided that the Series Ordinance shall specify a date beyond which the final maturity of such Series shall not extend, which date shall not be longer than 45 years from the Date of Issue of such Series of Bonds;
- (4) The purposes for which such Series of Bonds are being issued;
- (5) The title and designation of such Series of Bonds;
- (6) The manner in which such Series of Bonds are to be sold and provisions for the sale thereof and, as applicable, the official authorized to cause such sale, or to determine the manner or method of making such determination and the official authorized to make such determination;
- (7) The interest rate or rates, or the manner of determining such rate or rates, of the Bonds of such Series, including whether and on what terms there shall be entered by the County an agreement for any form of interest rate swap or similar transaction with respect to such Series or manner or method of making such determination and, as applicable, the official authorized to make such determination;
- (8) The portion of such Series that are Serial Bonds and that are Term Bonds and that are Capital Appreciation Bonds, if any, including the amount and date of each mandatory redemption or sinking fund installment, if any, required by such Series Ordinance to be paid for the retirement of any such Bonds, or the manner or method of making such designations and determinations by an authorized official;
- (9) The Redemption Price or Redemption Prices and the redemption date or redemption dates and other terms of redemption, if any, applicable to any of the Bonds of such Series for such payments, or the manner or method of determining such dates and prices and the official authorized to make such determination;
- (10) The Paying Agent and the Registrar for such Bonds and if other than the Trustee, the manner of determining the Paying Agent and the Registrar and officials authorized to make such determinations;

- (11) The form or forms of the Bonds of such Series, and the officials authorized to make any revisions thereto upon the advice of Bond Counsel;
- (12) The manner of numbering and lettering, and the denomination or denominations of the Bonds of such Series or the manner or method of determining such matters;
- (13) Whether the Bonds of such Series shall be issued in book-entry form pursuant to Section 4.20 hereof;
- (14) That the then applicable Reserve Requirement, if any, for all Series of Bonds Outstanding have been met;
- (15) The Reserve Requirement, if any, for the Series of Bonds authorized thereby, or method for determining the same and the officials authorized to make such determination;
- (16) The disposition or application of the proceeds of the sale of the Bonds of such Series and the manner of their application;
- (17) That a Bond Fund Account (within the Bond Fund) shall be established and a Debt Service Reserve Fund may be established for the Series of Bonds, and that a Project Fund be established if the proceeds of the Bonds of any Series are intended to be used for the expansion or improvement of the System, and that a capitalized interest account and/or a cost of issuance account be established as a standalone account or within any such Project Fund or applicable Bond Fund Account, as set forth in a Series Ordinance, if interest for any period is to be paid from proceeds of such Series of Bonds;
- (18) An estimate of the cost of Project to be funded with the proceeds of the Bonds of such Series; and
- (19) Any other provisions or funds deemed advisable by the County for the Bonds and any other applicable redemption requirement for the Bonds of such Series and the method of satisfying the same and not in conflict with or in substitution for the provisions of this Bond Ordinance.

Section 4.02 Conditions to Issuance of Bonds of a Series.

All Bonds shall be issued in compliance with the following provisions of this Section 4.02 and in compliance with any further conditions set forth in any Series Ordinance with respect to any Bonds then Outstanding:

- (1) Bonds shall be stated to mature and/or have mandatory or sinking fund redemptions on such day or days in the years and amounts prescribed or determined in the manner approved by the Series Ordinance.
- (2) Bonds shall bear interest at the rate or rates and be payable on the occasions prescribed or determined in the manner approved by the Series Ordinance.
- (3) Bonds shall be issued for a purpose or purposes set forth in Section 4.01(a) herein.
- (4) There shall exist, on the occasion of the issuance of the Bonds, no default in the payment of the Principal Installments of or interest on any Bonds or any Junior Lien Bonds then Outstanding.
- (5) On the date of delivery of such Series of Bonds there shall be on deposit in each Debt Service Reserve Fund such amounts as may be necessary to make the value of the moneys and securities in such Debt Service Reserve Fund equal to the Reserve Requirement applicable to the Series of Bonds for which such Debt Service Reserve Fund was created.
- (6) Except in the case of the first Series of Bonds issued under this Bond Ordinance, and in the case of any additional Bonds issued for the purpose of refunding Bonds, or in the event no Bonds are Outstanding, the County may issue additional Bonds if:
 - (A) Pledged Revenues, as calculated by an Authorized Officer, during the most recent Fiscal Year for which audited financial statements of the County are available shall not be less than 120% of the maximum Annual Principal and Interest Requirements on all Bonds Outstanding and on such proposed Series of Bonds; or
 - (B) The County shall have received a rating letter from Moody's or S&P showing that such Series of Bonds are rated in the "A" category or higher (without regard to modifiers).

The Authorized Officer making the calculations described in this paragraph (6) may, but is not required to, rely on a report, calculation, or projection of the Accountants or Independent Consultants.

Whenever this paragraph (6) requires a calculation based on the most recent Fiscal Year for which audited financial statements are available, the County may, in its discretion, provide for a special audit and based upon such special audit, in lieu of

the audit for such Fiscal Year, provided such special audit covers twelve consecutive calendar months of the eighteen full consecutive calendar months preceding the date of issuance of the proposed Series of Bonds.

- (7) In the case of Bonds issued for the purpose of refunding any Bonds, Series of Bonds, or a portion of a Series of Bonds:
 - (A) the Annual Principal and Interest Requirement of the refunding Bonds shall not exceed 120% of the Annual Principal and Interest Requirement of the refunded Bonds for any Fiscal Year until a time subsequent to the last maturity of Bonds issued prior to the issuance of such refunding Bonds which are not refunded and which remain Outstanding following the issuance of the refunding Bonds;
 - (B) the additional Bonds test prescribed by paragraph (6) herein shall be complied with; or
 - (C) an overall net present value savings results from the issuance of the refunding Bonds.
- (8) If any Series of Bonds shall contain Variable Rate Bonds:
 - (A) The Series Ordinance shall provide for and specify a maximum interest rate on (i) such Bonds and (ii) any reimbursement obligation to a liquidity provider for such Bonds;
 - (B) The liquidity provider for such Bonds shall be rated within the highest two short-term rating categories by any Rating Agency then rating any Series of Bonds; and
 - (C) Any accelerated principal payments or any interest computed at a rate in excess of that on such Bonds due to the liquidity provider for such Bonds pursuant to any reimbursement agreement with such liquidity provider shall be subordinate to the payment of debt service on all Bonds; provided, however, if the tests referred to in Sections 4.02(6) and 4.02(7) of this Bond Ordinance are calculated (and met) assuming such accelerated principal payment and such excess interest amount to the liquidity provider, then such accelerated principal payment and excess interest amount may be on a parity with the payment of debt service on all Bonds.
- (9) All amounts then due under a reimbursement agreement with any provider of a surety bond, line of credit, insurance policy or letter of credit as contemplated under Section 7.04(d) hereof shall have been paid.
- (10) Any Series Ordinance authorizing a Series of Bonds may prescribe, in addition to the requirements set forth in Sections 4.02(6) and 4.02(7) hereof, further

requirements that must be met for the issuance of Bonds on a parity with all Series of Bonds then Outstanding.

Section 4.03 Reliance Upon Certificates.

The County, the Trustee, and any purchaser of any Bonds shall be entitled to conclusively rely upon certificates or reports of the Accountants, an Authorized Officer, and any Independent Consultant, made in good faith, pursuant to any provision of this Bond Ordinance.

Section 4.04 Execution of Bonds.

(a) Unless otherwise prescribed by any Series Ordinance, the Bonds shall be executed in the name of and on behalf of the County by the Chairman or in his absence the Vice Chairman, the corporate seal of the County shall be impressed or reproduced thereon and the same shall be attested by the Clerk. Such officers may employ facsimiles of their signatures and also a Series Ordinance may specify the manner of executing the Bonds by electronic signature.

(b) In case any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office.

Section 4.05 Authentication.

Only such Bonds as shall have endorsed thereon a certificate of authentication duly executed by the Registrar shall be entitled to any right or benefit under this Bond Ordinance. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Registrar, and such executed certificate of the Registrar upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Bond Ordinance. The Registrar's certificate of authentication on any Bond shall be deemed to have been duly executed if signed by any authorized signatory of the Registrar.

Section 4.06 Medium of Payment.

The Bonds shall be payable with respect to Principal Installments, interest on, and premium, if any, in lawful money of the United States of America, unless otherwise provided in a Series Ordinance.

Section 4.07 Mutilated, Lost, Stolen or Destroyed Bonds.

In the event any Bond is mutilated, lost, stolen or destroyed, the County may execute and the Registrar may authenticate a new Bond of the same Series of like date, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Registrar, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the County and to the Registrar evidence of or affidavit as to such loss, theft or destruction satisfactory to the County and the Registrar together with indemnity satisfactory to them. In the event any such Bond shall have matured,

instead of issuing a duplicate Bond, the County shall pay the same. The County and the Registrar may charge the Holder or owner of such Bond with their reasonable fees and expenses (including reasonable attorney's fees, costs and expenses) in connection with such actions.

Section 4.08 Transfer and Registry; Persons Treated as Owners.

(a) As long as any Bonds shall be Outstanding, the County shall cause books for the registration and for the transfer of Bonds to be kept. Such books shall be kept by the Trustee unless there shall have been appointed a Registrar other than the Trustee to keep the books of registration for any particular Series of Bonds, in which case such Registrar shall promptly notify the Trustee of any registration or transfer of the Bonds. The transfer of each Bond may be registered only upon the registration books of the County kept for that purpose by the Holder thereof in person or by his duly authorized attorney upon surrender thereof and an assignment with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder or his duly authorized attorney. Upon the registration or transfer of any Bond, the County shall cause to be issued, subject to the provisions of Section 4.11 hereof, in the name of the transferee a new Bond or Bonds of the same aggregate principal amount, maturity and interest rate as the surrendered Bond.

(b) Any of the County, the Trustee, any Registrar, and any Paying Agent may deem and treat the person in whose name any Bond shall be registered upon the registration books of the County as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Principal Installment of, premium (if any) and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or, upon his order, shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid; and none of the County, the Trustee, any Registrar, or the Paying Agent shall be affected by any notice to the contrary.

(c) Notwithstanding anything in subsections (a) and (b) of this Section 4.08 to the contrary, Bonds may be issued in the form of contractual obligations which are not instruments and which may be transferred as provided in such contracts.

Section 4.09 Date and Payment Provisions.

Unless otherwise provided in any Series Ordinance with respect to Bonds issued thereunder, each Bond of a Series shall be authenticated on such dates as they shall, in each case, be delivered. Each Bond shall bear interest from the Date of Issue if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of such Bond's authentication.

Holders of at least \$1,000,000 principal amount of a Series of Bonds may, by written notice containing wiring instructions filed with the Trustee or Registrar, as the case may be, at least 20 days prior to any Bond Payment Date, provide for the payment of the interest on such Bonds by wire transfer to an account at a bank located in the continental United States.

Section 4.10 Transferability of Bonds.

Bonds of a Series, upon surrender thereof at the office of the Registrar for the Bonds of such Series with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder or his duly authorized attorney, may, at the option of the Holder and upon payment by such Holder of any charges made pursuant to Section 4.11 hereof, be exchanged for an equal aggregate principal amount of Bonds of such Series of like maturity and interest rate of any other authorized denominations.

Section 4.11 Regulations with Respect to Exchanges and Transfer.

In all cases in which the privilege of exchanging or transferring Bonds is exercised, the County shall execute and the Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Ordinance. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled and destroyed and shall not be reissued, and a counterpart of the certificate of destruction evidencing such destruction shall be furnished by the Registrar to the County. All Bonds so destroyed shall thereafter no longer be considered Outstanding for any purposes of this Bond Ordinance. There shall be no charge to the Holder for such exchange or transfer of Bonds except that the Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer. Neither the County nor the Registrar, as the case may be, shall be required to register, transfer or exchange Bonds of a Series during the period between a Record Date and its related Bond Payment Date, or to register, transfer or exchange any Bonds called for redemption after the mailing of any notice of redemption of such Bond.

Section 4.12 Cancellation and Destruction of Mutilated, Paid or Surrendered Bonds.

Upon the surrender of mutilated Bonds pursuant to Section 4.07 hereof, or Bonds paid or surrendered, the same shall be cancelled and destroyed and shall not be reissued, and a counterpart of the certificate evidencing such destruction shall be furnished by the Trustee or the Registrar, as the case may be, to the County. All Bonds so destroyed shall thereafter no longer be considered Outstanding for any purposes of this Bond Ordinance.

Section 4.13 Notice of Redemption.

If any of the Bonds, or portions thereof, are called for redemption, the Registrar, at the written direction of an Authorized Officer, shall give written notice to the Holders of any Bonds to be redeemed, in the name of the County, of the redemption of such Bonds, or portions thereof. Notice of each redemption of Bonds is required to be mailed by the Registrar by first class mail, postage prepaid, at least 30 but no more than 60 days prior to the redemption date to each Registered Owner of Bonds to be redeemed, at the address of such owner recorded on the bond register and to be otherwise given in accordance with, among others, the following requirements:

- (1) notices must contain, at a minimum, whether the redemption is conditioned on any event, the complete official name of the Bonds, CUSIP numbers (if any), Bond numbers, principal amount of each Bond to be redeemed (if less than all), publication date, redemption date, Redemption Price, redemption agent's name and address with contact person and phone number, Registrar's name and address, date

of the Bonds, interest rate, maturity date, the place or places where amounts due will be payable, and any other descriptive information deemed necessary by the Registrar;

- (2) except in the case of a Bond held by a single Holder, in which case notice need only be provided as stated in the first paragraph to this Section 4.13, notices must be sent to Bondholders of \$1,000,000 or more, to the Municipal Securities Rulemaking Board, if necessary (via its Electronic Municipal Market Access (EMMA) system, or its successor, as may be amended or modified), and any Securities Depository (if such Bonds are registered in the name of a Securities Depository or the nominee of such Securities Depository) by such method or such other method as is standard in the industry; in addition, any Bondholder holding in excess of \$1,000,000 principal amount of Bonds may request the Registrar to send notices to any additional addressee specified;
- (3) a second notice to Holders of the Bonds must be mailed by the means specified above to any Bondholder who has not presented Bonds for redemption 60 days after the redemption date;
- (4) notice of redemptions effected by advance refundings must also be given in accordance with the above requirements and any other requirements specified by the applicable Enabling Act; and
- (5) CUSIP number identification, if any, with appropriate dollar amounts for each CUSIP number must accompany all redemption payments and interest payments, whether by check or by wire transfer.

The obligation to provide notice shall not be conditioned upon the prior payment to the Paying Agent of money or the delivery to the Paying Agent of Authorized Investments or Government Obligations sufficient to pay the Redemption Price of the Bonds to which such notice relates or the interest thereon to the redemption date.

If at the time of mailing of a notice of redemption, there shall not have been deposited with the Paying Agent moneys sufficient to redeem all the Bonds or portions thereof called for redemption, which moneys are or will be available for redemption of such Bonds, such notice is required to state that it is conditional on the deposit of the redemption moneys with the Paying Agent not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

The failure of the Registrar to give notice to a Bondholder or any defect in such notice shall not affect the validity of the redemption of any other Bonds for which notice is properly given. Any Bondholder may waive notice of redemption by delivery of a written waiver to the Registrar.

Any Series Ordinance providing for the issuance of Bonds consisting of contractual obligations not in the form of an instrument or not registered in the name of a Securities Depository or the nominee of such Securities Depository or providing for Bonds in bearer form may provide for or authorize alternative methods for delivery of notice of redemption, and the Trustee shall be

entitled to conclusively rely on such Series Ordinance as being consistent with the provisions of this Bond Ordinance.

Provided sufficient funds for such redemption are on deposit with the Paying Agent, all Bonds so called for redemption shall cease to bear interest on the specified redemption date and shall no longer be deemed to be Outstanding hereunder. If said money shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

Section 4.14 Cancellation of Bonds Which Have Been Redeemed.

All Bonds which have been redeemed shall be cancelled and destroyed by the Registrar and shall not be reissued, and a counterpart of the certificate of destruction evidencing such destruction shall be furnished by the Registrar to the County. All Bonds so destroyed shall thereafter no longer be considered Outstanding for any purposes of this Bond Ordinance.

Section 4.15 Restriction on Optional Redemption.

Notwithstanding anything in this Bond Ordinance to the contrary, no optional redemption of Bonds may occur unless all amounts payable by the County owing under a reimbursement agreement with any provider of a surety bond, line of credit, insurance policy or letter of credit as contemplated under Section 7.04(d) hereof shall have been paid in full.

Section 4.16 Selection of Bonds to be Redeemed.

In the event that less than all of the Bonds of any Series are to be redeemed at the option of the County, Bonds to be redeemed shall be in such order of maturity as selected by the County. In the event of redemption of less than all of the Bonds of a Series of any maturity, the Bonds or portions of Bonds to be redeemed, shall be selected by lot by the Trustee. The portion of any Bond of a denomination which is larger than the minimum denomination for the Bonds of such Series shall be in the principal amount of such minimum denomination or a multiple thereof, and that, in selecting portions of such Bonds for redemption, the Trustee shall treat each such Bond as representing that number of Bonds of minimum denomination which is obtained by dividing the principal amount of such Bond to be redeemed in part by the amount of the minimum denomination; provided further that, if less than all of the beneficial interests in a Bond of a single maturity registered in the name of a Securities Depository or a Securities Depository Nominee are to be redeemed, the beneficial interests to be redeemed shall be selected by lot or in such manner as may be directed by the Securities Depository. If there shall be drawn for redemption less than all of a Bond, the County shall execute and the Trustee shall authenticate and deliver, upon the surrender of such Bond, without charge to the owner thereof, for the unredeemed balance of the principal amount of the Bond so surrendered, Bonds of the same Series in any authorized denomination. The procedures for selection of Bonds of a Series for redemption set forth in this Section 4.16 are subject, however, to any alternative provisions set forth in a Series Ordinance applicable to such Series of Bonds.

Section 4.17 Purchase of Bonds.

The County may, or the Trustee for a Series of Bonds at the written direction of the County, shall, if and to the extent practicable, purchase Bonds at such time, in such manner and at such price as may be specified by the County. The Trustee may so purchase Bonds with any money then held by the Trustee which is available for the redemption or purchase of Bonds and in excess of that set aside for the payment of Bonds called for redemption; provided, that the Trustee is provided with an opinion of Bond Counsel to the effect that such redemption or purchase complies with any limitations or restrictions on such redemption or purchase contained in this Bond Ordinance.

Section 4.18 Bonds Issued as Taxable Obligations.

Notwithstanding anything in this Bond Ordinance to the contrary, the County may from time to time, pursuant to one or more Series Ordinances, provide for the issuance of Bonds and Junior Lien Bonds the interest on which may be includable in gross income of the Holders of such Bonds for federal income taxation purposes.

Section 4.19 Security for Payment of Bonds; Priority of Lien.

(a) The County hereby pledges and grants a lien on the Pledged Revenues to the payment of the Principal Installments of, redemption premium, if any, and interest on the Bonds. The Principal Installments of the Bonds, together with the interest and redemption premium, if any, thereon shall be payable from and secured, subject to the foregoing, by a pledge of the funds deposited, from time to time, in the funds and accounts created hereunder, including the Bond Fund; provided, however, that amounts on deposit in the accounts and subaccounts within the Bond Fund and in the Debt Service Reserve Funds shall be held solely for the benefit of the Series of Bonds for which such accounts, subaccounts or funds were established. Nothing in this Bond Ordinance shall prohibit the County from making a pledge of and lien on the Pledged Revenues which is subordinate and inferior to the pledge and lien made by this Bond Ordinance to secure bonds, notes or other evidences of indebtedness hereafter issued by the County.

(b) THE BONDS SHALL NOT BE SECURED BY, OR IN ANY WAY ENTITLED TO, A PLEDGE OF THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY. THE BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY PROVISION, LIMITATION OR RESTRICTION OF THE CONSTITUTION OR THE LAWS OF THE STATE, OTHER THAN THOSE PROVISIONS AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A REVENUE PRODUCING PROJECT OR SPECIAL SOURCE, WHICH SOURCE DOES NOT INVOLVE REVENUES FROM ANY TAX OR LICENSE. THE BONDS ARE NOT A PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST THE COUNTY'S GENERAL CREDIT OR TAXING POWER. THE COUNTY IS NOT OBLIGATED TO PAY THE BONDS OR THE INTEREST THEREON EXCEPT FROM THE PLEDGED REVENUES.

Section 4.20 Bonds in Book-Entry Form.

Notwithstanding any other provision of this Bond Ordinance with respect to the form of Bonds to the contrary, a Series Ordinance may provide for the issuance of one or more Series of Bonds solely in fully-registered form registerable to a Securities Depository, a Securities

Depository Nominee or the beneficial owner of the Bonds. A Series Ordinance may further provide that such Series of Bonds shall be evidenced by one or more certificates or by a system of book entries in a form satisfactory to an Authorized Officer and to provide for payment, redemption, notices, and like provisions in a manner consistent with such system of registration.

Section 4.21 Waiver of Certain Provisions.

Notwithstanding anything in this Bond Ordinance to the contrary, whenever all of the debt issued or all of the obligations incurred by the County under a Series Ordinance are acquired by and are held by a single entity, that single entity, at its sole option, may waive any provision or requirement of this Bond Ordinance that relates separately to the governance of such Series and is for the protection and benefit of such single entity only and not for the protection or benefit of any other Holder or Holders of Bonds; provided that if such Series of Bonds is insured by an Insurer, then any such waiver shall require the prior written approval of such Insurer.

Section 4.22 Bonds Not in the Form of an Instrument.

The County may from time to time issue a Series of Bonds as contractual obligations not in the form of an instrument, and in such event such contract shall recite that it is authorized under the provisions of this Bond Ordinance and shall be authorized through the enactment of a Series Ordinance therefor, and the provisions regarding redemption or prepayment of such Bonds, notices to Bondholders, and transfers of such Bonds contained herein may be altered or supplemented by the provisions of the Series Ordinance pursuant to which such Bonds are issued or the contract pursuant to which such obligations are created.

Section 4.23 Payments Due on Saturdays, Sundays, and Holidays.

In any case where the Bond Payment Date or the date fixed for redemption of any Bonds shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of principal of, premium, if any, or interest on the Bonds need not be made on such date but may be made on the next succeeding Business Day which is not a Saturday, Sunday or legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on the Bond Payment Date or the date fixed for redemption, and no interest shall accrue for the period after such date.

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ARTICLE V
COVENANTS

Section 5.01 Covenants.

So long as Bonds are outstanding, the County further covenants and agrees to abide by all covenants, undertakings, and provisions contained in this Bond Ordinance and in any Series Ordinance related to any Bond issued hereunder, including the following:

(a) *To Pay Annual Debt Service.* The County covenants and agrees to punctually pay, or cause to be paid, out of Pledged Revenues, and special funds created hereunder, the Principal Installments of, redemption premium, if any, and interest on any Bonds Outstanding at the place, on the dates, and in the manner provided herein.

(b) *No Superior Pledge.* The County will not pledge, mortgage, or otherwise encumber the Pledged Revenues therefrom except in the manner herein authorized.

(c) *Records and Audits.* The County recognizes that those who may from time to time hereafter be Bondholders will, throughout the life of the Bonds, require full information with respect to the Pledged Revenues, the fiscal affairs of the County, and matters incident to each. To that end, the County hereby covenants and agrees that it will all times maintain proper books of records. The County further covenants and agrees that so long as any Bonds are Outstanding, it will, not later than 210 days after the close of each Fiscal Year, cause to be made and completed by the Auditors, an audit of the records, books and accounts pertaining to the County, made in accordance with Accounting Principles, showing Pledged Revenues; and that it will furnish a copy of such audit to the Trustee. Such audit shall comment upon any violation of any provision of any resolution authorizing the issuance of any Bonds or Junior Lien Bonds and any violation of any provision of this Bond Ordinance noted by the Auditors, and such other matters as to them seem pertinent.

(d) *Covenants related to the Accommodations Fee Ordinance.* The County covenants and agrees that it shall not at any time, during the term that Bonds are Outstanding under this Bond Ordinance, repeal the Accommodations Fee Ordinance or otherwise reduce the percentage of the Accommodations Fee below three percent (3%) as set forth in the Accommodations Fee Ordinance. The County covenants to enforce the collection of the Accommodations Fees and do all things legally authorized by the terms of the Accommodations Fee Ordinance and the laws of the State to ensure the proper collection thereof.

(e) *Covenants related to the Park Agreement.* The County shall promptly perform the duties and obligations imposed and assumed by it in accordance with the terms and provisions of the Park Agreements. The County covenants and agrees to take all reasonable action necessary to enforce the Park Agreements in accordance with its terms and shall not terminate the Park Agreements prior to their terms, materially reduce the properties therein, or reduce the percentage of Park Fees comprising the Designated Park Fees unless it shall first provide to the Trustee a certificate executed by an Authorized Officer stating: (a) that, after consideration of impact on Pledged Revenues resulting from any of the foregoing actions, the amount of Pledged Revenues

for the prior consecutive 12 months or Fiscal Year, in his discretion, would not be less than 120% of the maximum Annual Principal and Interest Requirements on all Bonds Outstanding. Nothing in this Bond Ordinance shall limit the County's ability to grant or agree to Special Source Revenue Credits.

(f) *Priority of Pledge.* Except as otherwise provided in this Bond Ordinance, the County covenants and agrees not to issue any bonds, notes, certificates or other obligations or evidences of indebtedness other than the Bonds or other obligations authorized or permitted hereby to be secured by a pledge of the Pledged Revenues or funds created hereunder.

(g) *Federal Tax Covenant.* The County covenants and agrees with the Holders of any Bonds the interest on which was intended at their time of issuance to be exempt from taxation for federal income tax purposes, that it will not make any use of, and it shall direct the Trustee and each fiduciary not to make any use of, the proceeds of any Series of Bonds which Bonds were intended upon the issuance thereof to be exempt from federal income taxation, which, if such use had been reasonably expected on the date of the issuance of the Bonds of such Series would have caused such Bonds or any other Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and will observe and not violate the requirements of Section 148 of the Code. Further, as to any Series of Bonds that the interest on which was intended at the time of their issuance to be exempt from federal income taxation, it will take all actions required of it under the Code that are necessary to preserve the tax-exempt status of such Series of Bonds, including without limitation, actions necessary to comply with all information reporting requirements and any obligation to rebate arbitrage earnings on the proceeds of such Bonds to the United States Government.

(h) *Covenant to Consider Appropriation of Lawfully Available Funds.* In adopting the budget for each Fiscal Year, the County shall determine whether it expects to have sufficient Pledged Revenues to make, in such Fiscal Year, the payments and transfers agreed to pursuant to Sections 8.02 through 8.07 of this Bond Ordinance. If the County does not expect to have sufficient Pledged Revenues for such purpose, County Council shall consider a budgetary appropriation from legally available funds in an amount that together with funds on deposit in the Fee Account of the Revenue Fund, the Bond Fund, and any Debt Service Reserve Fund will be sufficient to provide for the interest and Principal Installments on the Bonds in such Fiscal Year. Any such lawfully appropriated funds shall be deposited to the Other Available Moneys Account of the Revenue Fund not later than the fifteenth (15th) day prior to the Bond Payment Date for which they are needed. In considering such budgetary appropriation, the County Council may in its sole discretion determine not to make the budgetary appropriation (a "***Determination of Nonappropriation***") described above and such Determination of Nonappropriation shall not constitute an Event of Default under this Bond Ordinance, nor shall the County have any obligation to enact such appropriation.

(i) *Amounts Derived from Legislative Appropriation.* Wherever in this Bond Ordinance there is a statement to the effect that the County may apply such other legally available moneys as the County Council shall in its discretion determine to apply for a purpose, or words of similar import, such application shall be made by County Council applying its legislative discretion in determining whether to apply such moneys. Any payment from other available moneys described in this Bond Ordinance shall constitute a current expense of the County and

shall not in any way be construed to be a debt of the County in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness of the County, nor shall anything contained in this Bond Ordinance constitute or give rise to a general obligation or pledge of the general tax revenues, taxing power or full faith or credit of the County Council. Any such budgetary appropriation shall be subject in all respects to the discretion of County Council, and any failure to make such an appropriation, notwithstanding any provision of this Bond Ordinance to the contrary, shall not constitute a default or Event of Default under this Bond Ordinance.

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ARTICLE VI

JUNIOR LIEN BONDS

Section 6.01 Junior Lien Bonds; Junior Lien Bonds as Contracts; Accession.

(a) Notwithstanding that Bonds may be Outstanding, subject to compliance with the conditions and limitations expressly set forth herein and in any Series Ordinance, the County may at any time, and without further limitation and free of all conditions, issue Junior Lien Bonds for any corporate purpose of the County, in such amount as it may from time to time determine, payable from the revenues of the System, provided that the pledge of and lien upon the revenues of the System granted for the protection of said Junior Lien Bonds, shall at all times be and remain subordinate and inferior in all respects to the pledge of and lien upon the revenues made or authorized for the Bonds and to the payment of all Operation and Maintenance Expenses; and provided, further, that the maturity of Junior Lien Bonds may not be accelerated or paid in full unless all of the Bonds shall have been paid or provision therefor has been made pursuant to Article XVI hereof.

(b) The County may provide for Junior Lien Bonds in the form of contractual obligations, and not as instruments, and in such event such contracts shall recite that it is authorized under the provisions of this Bond Ordinance as a Junior Lien Bond and shall be authorized through the enactment of an ordinance therefor.

(c) By proceedings authorizing the issuance of Junior Lien Bonds, the County may provide for the accession of such Junior Lien Bonds to the status of Bonds provided all of the following conditions are met. Any such subsequent proceedings adopted by the County Council providing for such accession shall make the findings provided in the below paragraphs (1) through (4) and state whether and to what extent a Debt Service Reserve Fund shall be established as set forth in paragraph (5).

- (1) The Junior Lien Bonds were issued for a purpose or purposes set forth in Section 4.01(a) hereof.
- (2) There shall exist on the date of accession (a) no default in the payment of the Principal Installments of or interest on any Bonds Outstanding or any Junior Lien Bonds then outstanding, (b) no default in the performance of any duties required under the provisions of this Bond Ordinance, and (c) no amount owed by the County with respect to the full funding of a Debt Service Reserve Fund, either by way of cash or reimbursement of any other funding mechanism, except in accordance with paragraph (6)(A) of Section 4.02 hereof.
- (3) There shall be deposited in the Bond Fund Account for such Series of newly-acceded Bonds the amounts which would have been required under the provisions of Section 8.02 hereof to be accumulated therein on the date of accession if said Junior Lien Bonds had originally been issued as Bonds.

- (4) On the date of accession, an earnings test prescribed by paragraph (6) of Section 4.02 hereof shall have been met.
- (5) In the event such proceedings require a Reserve Requirement to be maintained for such Series of newly-acceded Bonds, then in such event, there shall be on deposit on the date of accession in a Debt Service Reserve Fund an amount equal to the Reserve Requirement established for such Junior Lien Bonds which are being acceded to the status of Bonds.
- (6) The County shall obtain an opinion of Bond Counsel to the effect that: (a) this Bond Ordinance and the proceedings authorizing such Junior Lien Bonds have been duly adopted and are in full force and effect; (b) the Junior Lien Bonds have been duly and lawfully authorized and executed by the County and are valid and binding upon, and enforceable against, the County (except to the extent that the enforceability thereof may be limited by the operation of bankruptcy, insolvency and similar laws affecting rights and remedies of creditors); and (c) with respect to such Junior Lien Bonds, this Bond Ordinance creates the valid pledge of, and lien which it purports to create on, the Pledged Revenues and of moneys and securities on deposit in any of the funds established hereunder subject to the application thereof to the purposes and on the conditions permitted by this Bond Ordinance.
- (7) In the event such Junior Lien Bonds were issued with variable rates, the provisions of paragraph (8) of Section 4.02 shall have been met.

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ARTICLE VII

ESTABLISHMENT OF FUNDS

Section 7.01 Requirement for Special Funds.

For so long a time as any sum remains due and payable by way of Principal Installments or interest on Bonds, the following funds or accounts shall be established and maintained, and deposits shall be made therein in the manner herein required.

Section 7.02 The Revenue Fund.

(a) The Revenue Fund is hereby established and comprised of the Fee Account and the Other Available Moneys Account, and shall be held and administered by the County.

(b) Except as otherwise specifically directed or permitted herein, all Pledged Revenues shall be deposited in accordance with and in the manner prescribed by Article VIII hereof into the Revenue Fund. Money in the Revenue Fund shall be withdrawn and made use of only in the manner and in the order of priority specified in Article VIII hereof. So long as the County establishes, under Accounting Principles, proper records of receipts and disbursements from the Revenue Fund, the Revenue Fund may be used for the purposes of the Operation and Maintenance Fund and the Depreciation and Contingent Fund, subject, in the case of the Depreciation and Contingent Fund, to the prior applications of the amounts in the Revenue Fund for the purposes set forth in Sections 7.05 and 7.06 hereof.

Section 7.03 The Bond Fund.

(a) There shall be established and maintained a Bond Fund held by the Trustee. Within the Bond Fund there shall be established a Bond Fund Account for each Series of Bonds Outstanding. Each Bond Fund Account is intended to provide for the ratable payment of the Principal Installments of, redemption premium, if any, and interest on the respective Series of Bonds as the same fall due. Payments into the Bond Fund shall be made in the manner prescribed by this Bond Ordinance, including the applicable provisions of Article VIII of this Bond Ordinance, and, except as herein provided, all money in the applicable Bond Fund Accounts shall be used solely to pay the Principal Installments of, redemption premium, if any, and interest on the applicable Series of Bonds, and for no other purpose. Each Bond Fund Account shall bear a number or alphanumeric Series designation as may be necessary to distinguish each Bond Fund Account. Within each Bond Fund Account, the Trustee may, but is not required, to further create an interest account, principal account, and bond redemption account with respect to each such Series of Bonds.

(b) The Bond Fund and each Bond Fund Account shall be kept in the complete custody and control of the Trustee, and withdrawals from each Bond Fund Account shall be made only by such Trustee who shall transmit to each Bondholder, when due, the sums required to pay the Principal Installments of, redemption premium, if any, and interest on the applicable Series of Bonds. Amounts held by the Trustee due to non-presentment of Bonds on any redemption date must be retained by the Trustee for a period of at least one year after the final maturity of such

Bonds. Funds retained for more than one year shall be remitted to the Office of State Treasurer as unclaimed property. Further, subject to the written consent of the County, payment on a Series of Bonds may be made without presentation and surrender of the physical Bond; in such event, the Trustee assumes no liability to any person and no obligation shall be imposed on the Trustee to seek the return of such Series of Bonds from the Holder thereof. Provided, however, in the event (i) a Series of Bonds is purchased by a single institution and thereafter held by a single Bondholder, and (ii) there is not established for such Series of Bonds a Reserve Requirement, the Bond Fund Account established for such Series of Bonds may be held by the Holder of that Series of Bonds, and the Holder of any such Series of Bonds must provide to the Trustee, as and when requested by the Trustee, a written certificate containing current information as to the principal Outstanding, the redemption premium, if any, and accrued interest on such Series of Bonds, and, if the Holder of such Series of Bonds does not provide the Trustee such written certificate within five Business Days of a request by the Trustee, the Trustee, for all purposes of this Bond Ordinance, shall conclusively assume that such Series of Bonds has been paid in accordance with the original tenor of such Series of Bonds. Furthermore, if a Series of Bonds is sold to an agency of the United States of America, including the United States Department of Agriculture – Rural Development, withdrawal from the applicable Bond Fund Account may be made to a custodial or checking account from which such entity may directly withdraw payments of Principal Installments and interest on such Series of Bonds.

(c) Moneys in the Bond Fund shall be invested and reinvested by the Trustee at the written direction of an Authorized Officer in Authorized Investments, maturing not later than the date on which such money is required to pay the Principal Installments of, premium, if any, and interest on the next occurring maturity of the Bonds. The Trustee shall have no responsibility for the investment of money in the Bond Fund that is not held by the Trustee. The Trustee shall be entitled to conclusively rely on such written direction as to the legality and suitability of any such investments and as to qualifications as Authorized Investments and compliance with the requirements of this section. Unless otherwise provided in a Series Ordinance, all earnings from such investments shall be added to and become a part of the Bond Fund Account in which such investments are held, but shall be credited against payments that would otherwise be made to such Bond Fund Account pursuant to the provisions of Section 8.02 hereof.

(d) There may be established in the applicable Bond Fund Accounts from time to time a capitalized interest account to provide for the payment of interest on the Bonds of a particular Series. Any such account shall be created by the Series Ordinance relating to the issuance of such Series of Bonds. Any earnings from the investment of funds in the capitalized interest account not required to pay interest on the Bonds of any Series during the period for which interest on the Bonds of such Series is capitalized shall be deposited in the Project Fund created by the Series Ordinance relating to such Bonds or, if such Project Fund has been terminated or no such fund was created, such earnings shall be retained in the appropriate Bond Fund Account.

(e) The Trustee shall maintain two separate sub-accounts within each Bond Fund Account into which (i) amounts transferred from the Revenue Fund (including any Interest Payment Subsidies), and (ii) amounts transferred from the Other Available Moneys Account of the Revenue Fund, respectively, shall be deposited.

(f) All monies received by the Trustee or by the County as Interest Payment Subsidies shall be deposited in the Bond Fund Account for the Series of Bonds with respect to which such Interest Payment Subsidy was received and used to pay debt service on such Series of Bonds.

(g) Within each Bond Fund Account, the Trustee, or as otherwise provided in the Series Ordinance, is authorized to create sub-accounts, as requested by the County for the timely payment of the principal of, interest on, and sinking fund installments due on the Bonds.

Section 7.04 The Debt Service Reserve Funds.

(a) Each Series Ordinance may create a Debt Service Reserve Fund for the Series of Bonds authorized thereby. Any such Debt Service Reserve Fund shall be for the equal and ratable benefit only of Bonds of that Series. Each such Debt Service Reserve Fund is intended to insure the timely payment of the Principal Installments of, and premium, if any, and interest on, that Series of Bonds, and to provide for the redemption of such Bonds prior to their stated maturities. Any Debt Service Reserve Fund shall be maintained in an amount equal to the Reserve Requirement established by the Series Ordinance for such Series of Bonds. Unless otherwise provided in a Series Ordinance, money in a Debt Service Reserve Fund shall be used for the following purposes, and for no other:

- (1) To prevent a default in the payment of the Principal Installments of or interest on the applicable Series of Bonds, by reason of the fact that money in the applicable Bond Fund Account is insufficient for such purposes;
- (2) To pay the Principal Installments of, interest on, and redemption premium, if any, of the applicable Series of Bonds in the event that all Outstanding Bonds of such Series are to be defeased or redeemed as a whole; or
- (3) To effect partial redemption of the applicable Series of Bonds; but subject to the restrictions of Section 4.21 hereof and provided that subsequent to said partial redemption, the market value of the cash and securities in such Debt Service Reserve Fund shall be not less than the Reserve Requirement therefor.

Notwithstanding the above provisions of paragraphs (1) through (3) of this Section 7.04(a) and as permitted by the Code and Section 4.21 hereof, if the Debt Service Reserve Fund was funded with cash, then, upon the written consent of the Holder of such Series of Bonds secured by such Debt Service Reserve Fund, the monies in such Debt Service Reserve Fund may be returned to the County prior to the final maturity of such Series. The requirements for and provisions governing any Debt Service Reserve Fund in the remainder of this Bond Ordinance, in references to “the Debt Service Reserve Fund,” “the Reserve Requirement,” the “Bond Fund(s)” and “the Bonds”, shall be deemed to refer to each such Debt Service Reserve Fund created by a Series Ordinance, if any, and in each case to the Reserve Requirement for the applicable Series of Bonds, and to Bonds only of that applicable Series and not to any other Bonds.

(b) Each Debt Service Reserve Fund shall be kept in the complete custody and control of the Trustee, and withdrawals from each Debt Service Reserve Fund shall be made only by such Trustee, who, at the direction of an Authorized Officer, shall transmit to each Bondholder the sums

required to pay the Principal Installments of, redemption premium, if any, and interest on such Series of Bonds.

(c) Money in a Debt Service Reserve Fund shall be invested and reinvested by the Trustee at the written direction of an Authorized Officer in Authorized Investments. The Trustee shall be entitled to conclusively rely on such written direction as to the legality and suitability of any such investments and as to qualifications as Authorized Investments and compliance with the requirements of this section. Subject to the remaining provisions of this paragraph (c), the earnings from such investments in a particular Debt Service Reserve Fund shall be added to and become a part of that Debt Service Reserve Fund. Except as provided in a Series Ordinance, if as of any date of calculation (as described in Section 8.02 hereof), the value of the securities and money in any Debt Service Reserve Fund shall exceed its Reserve Requirement, such excess shall first be fully used to raise the level of any other Debt Service Reserve Funds that are then underfunded to their applicable Reserve Requirements, and then any remaining excess shall either be used to effect partial redemption of such Series of Bonds, or shall be removed from such Debt Service Reserve Fund and, either (i) transferred into the applicable Bond Fund Account, as directed in writing by the Authorized Officer, or (ii) transferred to the Revenue Fund, as permitted by the provisions of the Code.

(d) In the event a Series Ordinance requires a Debt Service Reserve Fund to be established for a Series of Bonds, unless otherwise required by such Series Ordinance, the County, in lieu of the deposit of moneys into a Debt Service Reserve Fund, may alternatively satisfy the applicable Reserve Requirement by causing to be credited to such Debt Service Reserve Fund an irrevocable and unconditional surety bond, line of credit, letter of credit or insurance policy equal to the Reserve Requirement therefor.

(e) In the event the amount on deposit in, or credited to, a Debt Service Reserve Fund, in addition to the amount available under a surety bond, line of credit, insurance policy, or letter of credit (the “**Original Funding Instrument**”) also includes amounts available under another surety bond, line of credit, insurance policy, or letter of credit (the “**Additional Funding Instrument**”), draws on the Original Funding Instrument and the Additional Funding Instrument shall be made on a pro rata basis to fund any insufficiency in the Bond Fund Account. In the event a Debt Service Reserve Fund is funded with both monies and a surety bond, line of credit, insurance policy or letter of credit, (i) any withdrawals from such Debt Service Reserve Fund shall be made first from such monies (or the liquidation of investments made therewith) and second from such surety bond, line of credit, insurance policy or letter of credit, and (ii) cash deposits to such Debt Service Reserve Fund shall be used first to restore the cash balance and second to reinstate the surety bond, line of credit, insurance policy, or letter of credit. The surety bond, line of credit, insurance policy, or letter of credit shall be payable (upon the giving of notice as required thereunder) on any Bond Payment Date on which moneys will be required to be withdrawn from such Debt Service Reserve Fund and applied to the payment of the Principal Installments of or interest on the Outstanding Series of Bonds to which such surety bond, line of credit, insurance policy or letter of credit relates when such payments cannot be made by amounts otherwise credited to such Debt Service Reserve Fund.

Section 7.05 The Operation and Maintenance Fund.

(a) There shall be established and maintained an Operation and Maintenance Fund held and administered by the County. The Operation and Maintenance Fund is intended to provide for the payment of the Operation and Maintenance Expenses.

(b) Within the Operation and Maintenance Fund there shall be established an Other Available Moneys Account.

(c) Withdrawals from the Operation and Maintenance Fund shall be made by or on the order of the County in accordance, as nearly as may be practicable, with the Annual Budget then in effect.

Section 7.06 The Depreciation and Contingent Fund.

(a) There shall be established and maintained a Depreciation and Contingent Fund to be held and administered by the County. This fund, which shall constitute both the “Depreciation Fund” and the “Contingent Fund” as referred to in Title 6, Chapter 21 of the Enabling Act, shall be maintained in an amount to be established not less frequently than annually by the County Council in order to provide a reasonable reserve for depreciation of Projects, for contingencies and improvements, and betterments and extensions of Projects.

(b) Money in this fund shall be used solely:

(1) For the purpose of restoring depreciated or obsolete Projects;

(2) For improvements, betterments, and extensions of Projects other than for those things which are reasonably necessary to maintain the Projects in good repair and working order;

(3) To defray the costs of unforeseen contingencies;

(4) To prevent defaults in Bonds and Junior Lien Bonds; and

(5) For optional redemption of Bonds and Junior Lien Bonds.

(c) Withdrawals from this fund shall be made by or on order of an Authorized Officer.

Section 7.07 Establishment of Project Funds.

There shall be established a Project Fund with respect to each Series of Bonds issued to finance a Project in the Series Ordinance providing for the issuance of such Series of Bonds, the moneys in which shall be used to defray the costs of and to pay any costs incurred or to be incurred with respect to the Project so financed and costs of issuance incurred in connection therewith. Any such Project Fund may be held by the Trustee or the County, as required by any Series Ordinance or as may be required by the purchaser of any Series of Bonds. The Project Fund for any Bonds issued with a draw-down structure may be held by the purchaser. The County may but shall not be required to establish a capitalized interest account and a cost of issuance account in any Project

Fund so created and as may be provided in a Series Ordinance. On the occasion of the delivery of any such Series of Bonds, the proceeds therefrom shall be paid into the Project Fund established for such Series as set forth in the Series Ordinance authorizing their issue. Withdrawals from a Project Fund shall not be made except as provided in the Series Ordinance establishing such Project Fund.

Section 7.08 Investments of Funds.

Whenever, in the opinion of the County, it becomes desirable to invest money in any of the funds established by this Article (other than the Debt Service Reserve Funds and the Bond Fund, and any capitalized interest account) for which provisions are made above, the County may make Authorized Investments. Earnings resulting from the investment of money in a particular fund shall be deposited into the Revenue Fund (i) except as otherwise provided in Sections 7.02, 7.03, and 7.04 hereof, and (ii) unless the County Council shall have determined pursuant to the Annual Budget that any such earnings on amounts in the Depreciation and Contingent Fund shall remain therein.

Notwithstanding anything contained herein to the contrary and as limited solely to the funds held or invested by the Trustee, the Trustee shall have no obligation to enter into any repurchase agreement, investment agreement or any similar agreements with respect to the investment of any monies held under this Bond Ordinance unless (i) such agreement is in form and content acceptable to the Trustee in its sole discretion, (ii) any liability of the Trustee under such agreement is limited to loss occasioned by the negligence or willful misconduct of the Trustee, and (iii) the County shall pay to the Trustee an additional fee established by the Trustee in accordance with its customary practices.

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ARTICLE VIII

DISPOSITION OF REVENUES

Section 8.01 Deposits to Revenue Fund; Dispositions Therefrom.

The Pledged Revenues, excluding that money the disposition of which is controlled by other provisions of this Bond Ordinance, are declared to be a part of the Revenue Fund and shall from time to time be promptly deposited in a bank, depository, or trust company selected by the County in an account which will reflect the fact that they are a part of the Revenue Fund. If Bonds are Outstanding, the dispositions from the Revenue Fund required by the remaining Sections of this Article shall be made on or before the last Business Day of each month following the delivery of the first Series of Bonds issued pursuant to this Bond Ordinance and in the order of priority established by the sequence of the remaining Sections of this Article.

There shall be deposited to the Other Available Moneys Account of the Revenue Fund such legally available moneys which the County Council in its sole discretion determines to apply for such purpose.

Section 8.02 Payments for Bonds.

Provision shall be made for the payment of the Principal Installments of, premium, if any, and interest on all Bonds then Outstanding without priority of any other Bonds but ratably as to each Series of Bonds. To that end:

- (1) From the Revenue Fund, to the extent Pledged Revenues are available, there shall be deposited into the Bond Fund and thereafter transferred into the applicable Bond Fund Account as directed in writing by an Authorized Officer (and thereafter to the applicable interest sub-account, if any) the monthly fraction of the aggregate amount of interest to become due on the applicable Series of Bonds on the next ensuing Bond Payment Date. On or before the fifteenth day of the calendar month prior to an Interest Payment Date, there shall be transferred to each Bond Fund Account in the following order of priority: first, from the Accommodations Fee Special Revenue Fund the amount necessary, after taking into account the current balance in the applicable Bond Fund Account, to pay the installment of interest coming due on the applicable Series of Bonds on such Interest Payment Date, and then, to the extent necessary to pay such installment, from the Capital Renewal and Replacement Fund, and then to the extent necessary to pay such installment the Other Available Moneys Account of the Operation and Maintenance Fund (which amounts shall be designated in writing by the County to the Trustee and thereafter be credited to the respective sub-accounts therein), so that on each Interest Payment Date the amount of interest to be paid shall have been accumulated and be on hand; provided, however, that if provision has been made for the payment of all or part of the next installment of interest to become due on any Bonds, or the Trustee is in receipt of any Interest Payment Subsidies, pursuant to any other provision of this Bond Ordinance, or any Series Ordinance, or by reason of investment earnings or

otherwise, then, in such event, the deposits required by this paragraph may be omitted, or reduced accordingly;

- (2) From the Revenue Fund, to the extent Pledges Revenues are available, there shall be deposited into the Bond Fund and thereafter transferred into the respective Bond Fund Account (and thereafter to the respective principal sub-account, if any) an amount not less than the monthly fraction of the Principal Installment of the respective Series of Bonds next becoming due and payable (whether at stated maturity or by sinking fund installments), so that on each Principal Payment Date the amount of principal to be paid shall have been accumulated and be on hand; provided, however, that on or before the fifteenth day of the calendar month prior to a Principal Payment Date, there shall be transferred to each Bond Fund Account in the following order of priority: first, from the Accommodations Fee Special Revenue Fund the amount necessary, after taking into account the current balance in the applicable Bond Fund Account, to pay the Principal Installment on the applicable Series of Bonds coming due on such Principal Payment Date, and then, to the extent necessary to pay such Principal Installment, from the Capital Renewal and Replacement Fund, and then to the extent necessary to pay such installment the Other Available Moneys Account of the Operation and Maintenance Fund (which amounts shall be designated in writing by the County to the Trustee and thereafter be credited to the respective sub-accounts therein), so that on each Principal Payment Date the amount of principal to be paid shall have been accumulated and be on hand; provided, however, that if provision has been made for the payment of all or part of the next installment of principal to become due on the respective Series of Bonds, pursuant to any other provision of this Bond Ordinance, or any Series Ordinance, or by reason of investment earnings or otherwise, then, in such event, the deposits required by this paragraph may be omitted, or reduced accordingly.

Section 8.03 Deposits for the Debt Service Reserve Funds; Valuation.

Deposits shall next be made in the amounts required by this Section 8.03 or Section 4.02(5) into the applicable Debt Service Reserve Funds. Except as provided in Section 7.04(b)(ii), the Trustee shall calculate the Value of the cash and securities in each Debt Service Reserve Fund forty-five days prior to each Bond Payment Date in order to determine if each Debt Service Reserve Fund contains the Reserve Requirement therefor, and the extent to which payments therefor or withdrawals must be made therefrom, and the timing thereof, pursuant to this Bond Ordinance and the applicable Series Ordinances. To the extent the Trustee or an Authorized Officer, as applicable, determines that a deficiency exists, but such deficiency is solely the result of accounting practices governing the valuation of securities in the Debt Service Reserve Fund, the Trustee or Authorized Officer, as applicable, may alternatively calculate the value of the securities in each Debt Service Reserve Fund as of the maturity date of such securities, so long as such securities mature on or prior to the Bond Payment Date. Unless a Debt Service Reserve Fund is being funded pursuant to paragraph (5)(a) of Section 4.02 of this Bond Ordinance or then contains in cash and securities (or a surety bond, insurance policy, line of credit or letter of credit as herein described) an amount at least equal to its Reserve Requirement, unless otherwise provided in the Series Ordinance, there shall be paid into such Debt Service Reserve Fund on the last Business Day of each of the 24 months following a determination of a deficiency in such Debt

Service Reserve Fund 1/24th of the amount necessary to re-establish in such Debt Service Reserve Fund its Reserve Requirement; provided, however, nothing herein shall preclude the County from fully re-establishing such Reserve Requirement in a more timely fashion than as so prescribed. Any surety bond, line of credit, insurance policy or letter of credit being used to meet the Reserve Requirement of a Debt Service Reserve Fund shall be valued at the amount still remaining to be drawn thereon; and in the event that any such surety bond, line of credit, insurance policy or letter of credit has been drawn upon, the amount necessary to restore the principal balance thereof shall be paid by the County in the same manner and on a parity with the payments described in this Section 8.03 or as provided in an insurance agreement or applicable Series Ordinance.

For purpose of this Section and Section 7.04, “*Value*” means, with respect to any investment, the value calculated as follows:

- (1) as to investments the bid and asked prices of which are published on a regular basis in *The Wall Street Journal* (or, if not published therein, then in *The New York Times*): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;
- (2) as to investments the bid and asked prices of which are not published on a regular basis in *The Wall Street Journal* or *The New York Times*: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;
- (3) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and
- (4) as to any investment not specified above, the value thereof established by prior agreement between the County and the Trustee.

Section 8.04 Reimbursement of Interest on Amounts Advanced by Credit Providers for the Debt Service Reserve Fund.

Provision shall then be made for payment of interest and any fees or penalties on amounts advanced by the provider of any surety bond, line of credit, insurance policy or letter of credit as contemplated in Section 7.04(e) hereof.

Section 8.05 Payments for Junior Lien Bonds.

Provision shall then be made for the payment of Junior Lien Bonds.

Section 8.06 Deposits to the Operation and Maintenance Fund.

There shall be deposited in the Operation and Maintenance Fund from the Revenue Fund, the amounts budgeted for Operation and Maintenance Expenses for the ensuing month and any

amounts required for an operational reserve. Such transfer shall be made by or on the order of the County in accordance, as nearly as may be practicable, with the Annual Budget then in effect.

Section 8.07 Deposits for the Depreciation and Contingent Fund.

There shall be deposited into the Depreciation and Contingent Fund that sum which is 1/12th of the sum which has been currently determined by the County Council to be the budgeted requirement therefor for the then current Fiscal Year.

Section 8.08 Use of Surplus Money.

In any Fiscal Year, at such time as the Accommodations Fee Special Revenue Fund and the Capital Renewal and Replacement Fund of the Revenue Fund and the Interest Account and the Principal Account of the Bond Fund in the aggregate have on deposit therein an amount equal to the amounts required to be paid pursuant to Sections 8.02 through 8.07 for the then current Fiscal Year, then any excess amount on deposit in or thereafter deposited to the Fee Account of the Revenue Fund in such Bond Year shall be released from the Fee Account of the Revenue Fund and applied by the County in any manner determined by the County.

* * *

ARTICLE IX

MODIFICATION OF ORDINANCE

Section 9.01 Modification without Bondholder Approval.

(a) Provided always that the security of the Bonds shall not be diminished, or in any manner impaired, the County Council may for any one or more of the following purposes at any time, or from time to time, enact an ordinance, amending or supplementing this Bond Ordinance, which supplemental ordinance shall be fully effective in accordance with its terms:

- (1) to provide for the issuance of a Series of Bonds in accordance with Article IV of this Bond Ordinance;
- (2) to add to the covenants and agreements of the County in this Bond Ordinance, other covenants and agreements thereafter to be observed;
- (3) to surrender any right, power or privilege reserved to or conferred upon the County by this Bond Ordinance;
- (4) to cure, correct, and remove any ambiguity or inconsistent provisions contained in this Bond Ordinance; and
- (5) for any other purpose which, in the opinion of Bond Counsel, does not materially affect the interests of the Bondholders.

(b) It is further provided that such supplemental ordinance shall not become effective until (i) a copy thereof, duly certified, shall have been filed in the office of the Clerk of Court for the County, and (ii) the County shall have received an opinion of Bond Counsel to the effect that such supplemental Ordinance has been lawfully enacted in accordance with the provisions hereof and is in full force and effect. The Trustee will promptly give notice of adoption and a copy of any modification made hereunder to any Insurer.

Section 9.02 Modification with Bondholder Approval.

The rights and duties of the County and the Bondholders and the terms and provisions of this Bond Ordinance may be modified or altered in any respect by an ordinance enacted by the County Council with the consent of the Holders of a majority in principal amount of all Bonds of each Series which would be affected by such modification or alteration then Outstanding and the prior written consent of the Insurer, if any, of each such Series of Bonds, such consent to be evidenced by an instrument or instruments executed by such Holders and duly acknowledged or proved before a notary public or other public officer authorized to take oaths, but no such modification or alteration shall, without the consent of the Holders of all Bonds affected by such change or modification:

- (1) extend the maturity of any payment of a Principal Installment of or interest due upon any Bond;
- (2) effect a reduction in the amount which the County is required to pay by way of principal, interest or redemption premium on any Bond;
- (3) effect a change as to the type of currency in which the County is obligated to effect payment of the Principal Installment, interest and redemption premium of any Bond;
- (4) permit the creation of a pledge of or lien upon the Pledged Revenues prior to or equal to the Bonds except as may be permitted under the provisions of this Bond Ordinance;
- (5) permit preference or priority of any Bonds to others;
- (6) alter or modify the provisions of Section 4.02 or of Articles V, VII, and VIII of this Bond Ordinance; or
- (7) reduce the percentage required for the written consent to the modification or alteration of the provisions of this Bond Ordinance, without the consent of the Holders of all Bonds affected by such change or modification.

Section 9.03 Procedure for Procuring Bondholder Approval.

The County and the Trustee may rely upon the registry books maintained by the Registrar to determine who are the Holders of the Bonds. Any and all modifications made pursuant to Section 9.02 shall not become effective until (i) there has been filed with the Clerk of Court for the County and with the Trustee a copy of such amendatory or supplemental ordinance hereinabove provided for, duly certified, (ii) there has been filed with the Trustee an opinion of Bond Counsel stating that such amendatory or supplemental Ordinance has been duly and lawfully adopted by the County in accordance with the provisions of this Bond Ordinance and is valid and binding upon the County and (iii) proof of consent to such modification by the Holders (depending on the type of type of type of modification) of a majority in principal amount of the Bonds of each Series then Outstanding shall be filed with the Trustee. In the event that any Series of Bonds are held under a book-entry system pursuant to Section 4.20, the approvals of Bondholders may be obtained in the manner provided in the agreement with the Securities Depository.

Section 9.04 Notice to Rating Agencies.

Any Rating Agency rating a Series of Bonds shall be provided notice by the County and a copy of any amendment to this Bond Ordinance or to any Series Ordinance within 15 days of its execution or enactment; notice electronically filed on the Municipal Securities Rulemaking Board's EMMA system shall be deemed sufficient to satisfy such notice requirement upon such filing for purposes of this Section 9.04.

Section 9.05 Consent of Trustee.

No amendment, modification or alternation of this Master Bond Ordinance may adversely modify the rights or duties of the Trustee or Registrar hereunder without the express written consent of the Trustee.

* * *

ARTICLE X
EVENTS OF DEFAULT

Section 10.01 Events of Default.

- (a) Each of the following events is hereby declared to be an Event of Default:
 - (1) payment of the Principal Installments of any of the Bonds shall not be made when the same shall become due and payable, either at maturity or by proceedings for redemption;
 - (2) payment of any installment of interest on any Bonds shall not be made when the same becomes due and payable;
 - (3) the County shall for any reason be rendered incapable of fulfilling its obligations hereunder; or
 - (4) an order or decree shall be entered with the consent or acquiescence of the County appointing a receiver, or receivers, of the County, or any proceedings shall be instituted with the consent or acquiescence of the County for the purpose of effecting a composition between the County and its creditors whose claims relate to the County, or for the purpose of adjusting claims of such creditors, pursuant to any federal or State statute now or hereafter enacted, or if such order or decree, having been entered without the consent or acquiescence of the County, shall not be vacated or discharged or stayed on appeal within 60 days after entry thereof, or if such proceeding having been instituted without the consent or acquiescence of the County, shall not be withdrawn or any orders entered shall not be vacated, discharged, or stayed on appeal within 60 days after the institution of such proceedings, or the entry of such orders.
- (b) The occurrence of an Event of Default on the part of the County under any reimbursement agreement between the County and a provider of a surety bond, line of credit, insurance policy or letter of credit as contemplated under Section 7.05(d) hereof; and
- (c) Such other events of default as may be specified in a Series Ordinance.

In determining whether a default in payment has occurred under paragraphs (1) or (2) of subsection (a) and in determining whether a payment on Bonds has been made under any other provision of this Bond Ordinance, no effect shall be given to payments made under a Municipal Bond Insurance Policy.

(d) The foregoing provisions of paragraphs (3) and (4) of the preceding subsection (a) are subject to the following limitations: If by reason of “force majeure” the County is unable in whole or in part to carry out its agreements herein contained (other than the obligations on the part of the County contained in any of Section 4.02 or Articles V, VII and VIII hereof as to which this

paragraph shall have no application), the County shall not be deemed in default during the continuance of such inability attributable to such force majeure. The term “force majeure” as used herein means, without limitation, the following: acts of God; strikes; lockouts or other industrial disturbances; acts of public enemies; orders of any kind of the government of the United States of America or of the State or any of their departments, agencies, or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquake; fire; hurricanes; storms; floods; washouts; droughts; arrests; restraint of government and people; civil disturbances; explosions; breakage or accident to machinery, tunnels or canals; partial or entire failure of utilities; or any other cause or event not reasonably within the control of the County Council, it being agreed that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the County Council, and the County shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the County unfavorable to the County.

* * *

ARTICLE XI

REMEDIES

Section 11.01 Acceleration; Annulment of Acceleration.

(a) Upon the occurrence of an Event of Default, the Trustee may, and shall upon the written request of the Holders of not less than a majority in aggregate principal amount of Bonds Outstanding, by notice in writing to the County, declare all Bonds Outstanding immediately due and payable, and such Bonds shall become and be immediately due and payable, anything in the Bonds or in this Bond the County to the contrary notwithstanding. In such event, there shall be due and payable on the Bonds an amount equal to the total principal amount of all such Bonds, plus all interest accrued thereon and which will accrue thereon to the date of payment.

(b) At any time after the principal of the Bonds shall have been so declared to be due and payable and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Bond Ordinance, the Trustee may annul such declaration and its consequences with respect to any Bonds not then due by their terms if:

- (1) moneys shall have been deposited in the Bond Fund and appropriately apportioned among each Bond Fund Account sufficient to pay all matured installments of interest and principal (other than principal then due only because of such declaration) of all Outstanding Bonds;
- (2) moneys shall have been deposited with the Trustee sufficient to pay the charges, compensation, expenses, disbursements, advances and liabilities of the Trustee;
- (3) all other amounts then payable by the County hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Trustee; and
- (4) every Event of Default actually known to the Trustee (other than a default in the payment of a Principal Installment of such Bonds then due only because of such declaration) shall have been remedied as certified in writing by an Authorized Officer to the Trustee.

No such annulment shall extend to or affect any subsequent Event of Default or impair any right consequent thereon.

Section 11.02 Additional Remedies and Enforcement of Remedies.

(a) Upon the occurrence and continuance of any Event of Default, the Trustee shall, upon the written request of the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding, together with indemnification of the Trustee to its satisfaction therefor, proceed forthwith to protect and enforce its rights and the rights of the Bondholders under this

Bond Ordinance by such suits, actions or proceedings as the Trustee, being advised by counsel, shall deem expedient, including but not limited to:

- (1) seeking a *writ of mandamus*, requiring the County to carry out its duties and obligations under the terms of this Bond Ordinance and under the Enabling Act;
- (2) suit upon all or any part of the Bonds;
- (3) civil action to require the County to account as if it were the trustee of an express trust for the Holders of Bonds;
- (4) civil action to enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Bonds; or
- (5) enforcement of any other right of the Bondholders conferred by law or by this Bond Ordinance.

(b) Regardless of the happening of an Event of Default, the Trustee, if requested in writing by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, and upon receipt of assurances of indemnification of the Trustee, the sufficiency of which shall be determined in the Trustee's sole discretion, shall institute and maintain such suits and proceedings as it may be advised by counsel shall be necessary or expedient:

- (1) To prevent any impairment of the security under this Bond Ordinance by any acts which may be unlawful or in violation of this Bond Ordinance; or
- (2) To preserve or protect the interests of the Bondholders, provided that such request is in accordance with law and the provisions of this Bond Ordinance and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Holders of Bonds not making such request.

(C) When the Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of an Event of Default, such costs and expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

Section 11.03 Application of Revenues and Other Moneys After an Event of Default.

(a) The County covenants that if an Event of Default shall happen and shall not have been remedied, the County, upon demand of the Trustee, shall pay or cause to be paid over to the Trustee:

- (1) Forthwith, all moneys and securities then held by the County which are credited to any fund under this Bond Ordinance. Any moneys and securities in any Project Fund created with proceeds of Bonds if construction of the projects to be paid for

thereby has been completed or terminated but exclusive of any amounts remaining in such Project Fund that are in dispute between the County and any contractor; provided however, any monies in a Bond Fund Account or Debt Service Reserve Fund shall be applied only toward the applicable Series of Bonds for which such Bond Fund Account or Debt Service Reserve Fund was established; and

(2) As promptly as practicable after receipt thereof, all Pledged Revenues.

(b) During the continuance of an Event of Default, the Trustee shall apply all moneys, securities, Pledged Revenues, payments and receipts in its possession and the income therefrom as follows and in the following order:

(1) to the payment of the reasonable and proper charges of the Trustee and its reasonable counsel fees and expenses;

(2) to the payment of the interest and principal (and redemption premium, if any) then due on the Bonds, as follows:

(A) unless the principal of all of the Bonds shall have become or have been declared due and payable,

(i) first: to the payment of the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the persons entitled thereto, without any discrimination or preference;

(ii) second: to the payment to the persons entitled thereto of the unpaid Principal Installments (and redemption premiums, if any) of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal (plus redemption premium, if any) due on such date, to the persons entitled thereto, without any discrimination or preference;

(B) if the principal of all of the Bonds shall have become or have been declared due and payable, to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference

except as to any differences as to the applicable rates of interest specified in the Bonds;

- (3) to the payment of the amounts required by Section 8.03, ratably, according to the amounts due thereon to the persons entitled thereto
- (4) to the payment of the amounts required by Section 8.04, ratably, according to the amounts due thereon to the persons entitled thereto;
- (5) to the payment of the amounts required by Section 8.05, ratably, according to the amounts due thereon to the persons entitled thereto; and
- (6) to the payment of the required by Section 8.06, for deposit into the Operation and Maintenance Fund and the Depreciation and Contingent Fund.

Any surplus money shall be returned to the County.

Section 11.04 Remedies Not Exclusive.

No remedy by the terms of this Bond Ordinance conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Bond Ordinance or existing at law or in equity or by statute (including the Enabling Act) on or after the date hereof.

Section 11.05 Remedies Vested in Trustee.

All rights of action (including the right to file proof of claims) under this Bond Ordinance or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings relating thereto. Any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Holders of the Bonds. Subject to the provisions of Section 11.03 hereof, any recovery of judgment shall be for the equal benefit of the Holders of the Outstanding Bonds.

Section 11.06 Majority of Bondholders Control Proceedings.

If an Event of Default shall have occurred and be continuing, notwithstanding anything in this Bond Ordinance to the contrary, the Holders of at least a majority in aggregate principal amount of Bonds then Outstanding shall have the right, at any time, by an instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting any proceeding to be taken in connection with the enforcement of the terms and conditions of this Bond Ordinance or for the appointment of a receiver or any other proceedings hereunder, provided that such direction is in accordance with law and the provisions of this Bond Ordinance (including indemnity satisfactory to the Trustee) and, in the sole judgment of the Trustee, is not unduly prejudicial to the interests of the Bondholders not joining in such direction and provided further that nothing in

this Section 11.06 shall impair the right of the Trustee in its discretion to take any other action under this Bond Ordinance which it may deem proper and which is not inconsistent with such direction by the Holders of at least a majority in principal amount of Bonds then Outstanding.

Section 11.07 Individual Bondholder Action Restricted.

(a) No Holder of any Bond shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement of this Bond Ordinance or for the execution of any trust hereunder or for any remedy under this Bond Ordinance unless:

- (1) an Event of Default has occurred:
 - (A) under paragraph (1) or (2) of subsection (a) of Section 11.01 hereof;
 - (B) as to which the Trustee has actual notice; and
 - (C) as to which the Trustee has been notified in writing.
- (2) the Holders of at least 25% in aggregate principal amount of Bonds Outstanding shall have made written request to the Trustee to proceed to exercise the powers granted in this Bond Ordinance or to institute such action, suit or proceeding in its own name;
- (3) such Bondholders shall have provided assurances of indemnification of the Trustee, the sufficiency of which shall be determined in the Trustee's sole discretion; and
- (4) the Trustee shall have failed or refused to exercise the powers herein granted or to institute such action, suit or proceedings in its own name for a period of 60 days after receipt by it of such request and offer of indemnity.

(b) No one or more Holders of Bonds shall have any right in any manner whatsoever to affect, disturb or prejudice the security of this Bond Ordinance or to enforce any right hereunder except in the manner herein provided and for the equal benefit of the Holders of all Bonds Outstanding.

(c) Nothing contained in this Bond Ordinance shall affect or impair, or be construed to affect or impair, the right of the Holder of any Bond:

- (1) to receive payment of the Principal Installments of or interest on such Bond on the due date thereof; or
- (2) to institute suit for the enforcement of any such payment on or after such due date.

Section 11.08 Termination of Proceedings.

In case any proceeding taken by the Trustee or any Bondholder on account of any Event of Default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or the Bondholders, the County, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee and the Bondholders shall continue as if no such proceeding had been taken.

Section 11.09 Waiver and Nonwaiver of Event of Default.

(a) No delay or omission of the Trustee or of any Holder of the Bonds to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein. Every power and remedy given by this Article XI to the Trustee and the Holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

(b) The Trustee may waive any Event of Default which in its opinion shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted by it under the provisions of this Bond Ordinance, or before the completion of the enforcement of any other remedy under this Bond Ordinance.

(c) Notwithstanding anything contained in this Bond Ordinance to the contrary but subject to the provisions of Section 11.01 hereof, the Trustee, upon the written request of the Holders of at least a majority of the aggregate principal amount of Bonds then Outstanding (including, if more than one Series of Bonds shall at the time be Outstanding, the Holders of a majority in principal amount of all Bonds then Outstanding of each such Series), shall waive any Event of Default hereunder and its consequences; provided, however, that except under the circumstances set forth in subsection (b) of Section 11.01 hereof or subsection (b) of this Section 11.09, a default in the payment of the principal of, premium, if any, or interest on, any Bond, when the same shall become due and payable by the terms thereof or upon call for redemption, may not be waived without the written consent of the Holders of all the Bonds at the time Outstanding.

(d) In case of any waiver by the Trustee of an Event of Default hereunder, the County, the Trustee, each Insurer and the Bondholders shall be restored to their former positions and rights under this Bond Ordinance, respectively, but no such waiver shall extend to any subsequent or other Event of Default or impair any right consequent thereon. The Trustee shall not be responsible to anyone for waiving or refraining from waiving any Event of Default in accordance with this Section 11.09.

Section 11.10 Notice of Events of Default.

- (a) Within 30 days after:
 - (1) the receipt of notice of an Event of Default as provided in Section 11.07(a)(1)(B) or (C) hereof; or
 - (2) the occurrence of an Event of Default under paragraphs (1) or (2) of Section 10.01(a) hereof, as to which the Trustee shall be deemed to have notice,

the Trustee shall, unless such Event of Default shall have been cured, give written notice thereof by first class mail to each Insurer of any Series of Bonds then Outstanding, if any, and to each Bondholder, provided that, except in the case of a default in the payment of Principal Installments of, together with premium, if any and interest on any of the Bonds, the Trustee may withhold such notice if, in its sole judgment, it determines that the withholding of such notice is in the best interests of the Bondholders.

(b) The Trustee shall promptly notify the County and each Insurer of any Series of Bonds then Outstanding of any Event of Default actually known to the Trustee.

Section 11.11 Rights of Insurers.

Any Series Ordinance may provide that any Insurer, insuring the applicable Series of Bonds, upon the occurrence of an Event of Default and with respect to all remedies provided herein, may prevent the acceleration of the Bonds of all Series or may prevent the annulment of the acceleration of the Bonds of all Series. Such Insurer may be subrogated to the rights to payment of the Holders of any Bonds with respect to which it pays any principal or interest on the Bonds owned by that Holder.

* * *

ARTICLE XII

TRUSTEE AND ITS FUNCTIONS; OTHER FIDUCIARIES

Section 12.01 Appointment and Vesting of Powers in Trustee; Limitation of Rights of Bondholders to Appoint Trustee.

Prior to the delivery of any Bonds pursuant to this Bond Ordinance, the County shall appoint the Trustee. Such appointment shall be made by means of the Series Ordinance adopted by the County Council in connection with the issuance of the first Series of Bonds pursuant to this Bond Ordinance or as otherwise permitted under the provisions of this Bond Ordinance. The Trustee shall be and is hereby vested with all rights and powers necessary to enable it to discharge its duties hereunder but the right of the Bondholders to appoint a Trustee hereunder is limited to the circumstances contemplated by Section 12.10 hereof.

Section 12.02 Functions of Trustee.

The Trustee shall have the following additional functions:

- (1) to authenticate, as applicable, the Bonds of all Series that may be issued;
- (2) to act as custodian of the Bond Fund and each Bond Fund Account (and any subaccounts) established thereunder;
- (3) except as otherwise provided herein, to act as custodian of the Debt Service Reserve Funds, if any;
- (4) except as otherwise provided herein, to act as Paying Agent for the Bonds;
- (5) unless otherwise prescribed by any Series Ordinance, to act as Registrar for the Bonds, and to maintain a set of registration books therefor, which shall at all times accurately reflect the names and addresses of all those who may be Holders of any Bonds;
- (6) to make reports to the County on a monthly or such other basis as may be requested by the County, but not less often than semi-annually and not more frequently than monthly:
 - (A) listing balances for any funds or accounts held by the Trustee;
 - (B) listing investments made for any fund held by the Trustee;
 - (C) listing the market value of the Debt Service Reserve Funds; and
 - (D) listing all securities, if any, pursuant to Section 12.13 hereof.

Section 12.03 Duty of Trustee with Respect to Deficits in Bond Funds.

It shall be the further duty of the Trustee to give written notice to the County three Business Days prior to each Bond Payment Date, if there is any deficiency in any Bond Fund Account which would result in a need for further moneys to meet the payment of interest and/or principal falling due on the next ensuing Bond Payment Date, and the extent, if any, to which resort must be had to the applicable Debt Service Reserve Fund to meet such deficiency.

Section 12.04 Acceptance by Trustee Required.

Prior to the delivery of any Bonds, the Trustee appointed pursuant to Section 12.01 hereof shall signify its acceptance of the powers, duties and obligations conferred and imposed upon it by this Bond Ordinance, by executing and delivering to the County a written acceptance thereof.

Section 12.05 No Liability as to Recitals in Bond Ordinance and Bonds.

(a) The recitals of fact made in this Bond Ordinance, in any Series Ordinance, and in the Bonds shall be taken as statements of the County, and the Trustee shall not be deemed to have made any representation as to the correctness of the same, nor shall the Trustee be deemed to have made any representation whatsoever as to the validity or sufficiency of this Bond Ordinance or of the Bonds issued hereunder except with respect to the authentication of any Bonds, as applicable. Nor shall the Trustee be under any responsibility or duty with respect to the operation of the System, any offering document or memorandum related to the marketing or sale of Bonds, or the issuance of Bonds or the application of the proceeds thereof, except to the extent provided for herein. Nor shall the Trustee be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

(b) Prior to the occurrence of an Event of Default of which the Trustee has or is deemed to have notice hereunder, and after the curing of any Event of Default which may have occurred:

- (1) the Trustee shall undertake to perform such duties and only such duties as are specifically set forth in this Bond Ordinance or any Series Ordinance, as applicable, and no implied covenants or obligations shall be read into this Bond Ordinance or any Series Ordinance, as applicable, against the Trustee; and
- (2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Bond Ordinance or any Series Ordinance, as applicable.

(c) In case an Event of Default of which the Trustee has or is deemed to have notice hereunder has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Bond Ordinance or any Series Ordinance, as applicable, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use in the conduct of such person's own affairs.

Section 12.06 Trustee May Rely on Notices, Etc.

The Trustee shall at all times be protected in acting upon any notice, ordinance, request, consent, order, certificate, statement, opinion, bond, or other paper or document believed to be genuine and to have been signed by the proper party or parties.

Section 12.07 Trustee Permitted to Resign.

The Trustee may, at any time, resign and be discharged of its duties and obligations hereunder by giving to the County and the Bondholders written notice of such resignation, specifying a date (not less than 60 days after such notice) when such resignation is intended to take effect. Such resignation shall take effect immediately upon but not before the appointment and qualification of its successor. If after 60 days no successor has been appointed, the Trustee may petition a court of competent jurisdiction to appoint a successor.

Section 12.08 Removal of Trustee.

(a) The Trustee may be removed at any time by the Holders of not less than a majority in aggregate principal amount of Bonds Outstanding upon 30 days written notice to the Trustee.

(b) Provided an Event of Default has not occurred and is not continuing, the Trustee may be removed at any time by the County upon thirty days written notice to the Trustee.

(c) Any such removal shall take effect immediately (after the 30 day notice period) upon, but not before the appointment and qualification of its successor.

Section 12.09 Appointment of Successor Trustee Upon Resignation or Removal of Trustee.

(a) In case at any time the Trustee shall resign, or be removed or become incapable of acting, or be adjudged bankrupt or insolvent, or a receiver of its property shall be appointed, or any public officer shall take charge or control of its property or affairs, a successor thereto shall be promptly appointed by the County by ordinance duly enacted. The successor shall in all instances be a bank or a trust company, and duly chartered pursuant to the laws of the United States or of any state and shall have a combined capital and surplus of not less than \$500,000,000.

(b) Immediately following such appointment the County shall give written notice of such appointment to the Bondholders and any Registrar other than the Trustee.

Section 12.10 When Bondholder May Seek Successor Trustee.

If no appointment of a successor Trustee shall be promptly made pursuant to Section 12.09, any Bondholder, the resigning or removed Trustee may make application to any court of competent jurisdiction for the appointment of a successor and said court may thereupon, after such notice, if any, as such court may prescribe, appoint a successor.

Section 12.11 Acceptance by Successor Trustee.

Any successor Trustee appointed hereunder shall execute and deliver to its predecessor and to the County a written acceptance of such appointment, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of its predecessor hereunder with like effect as if originally named as such Trustee and its predecessor shall be obligated to pay over, transfer, assign and deliver all moneys, securities and other property held by it to its successor, and on the written request of the County, or the successor, shall execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may be reasonably required for the vesting and confirming in such successor all the right, title and interest of the predecessor in and to any property held by it.

Section 12.12 Effect of Trustee Merging with Another Bank.

Any bank or trust company into which the Trustee may be merged, or with which it may be consolidated, or any bank or trust company resulting from any merger or consolidation to which it shall be a party, or any bank or trust company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, shall become the successor without the execution or filing of any paper or the performance of any further act; provided, always, that if the County shall be dissatisfied with the institution resulting from the merger, consolidation or other action spoken of above, then the County may at any time within 30 days after such action name a new Trustee (with the qualifications prescribed by Section 12.09 hereof) in lieu of the Trustee then acting.

Section 12.13 Trustee to Secure Funds and Securities Held in Trust.

Unless the same be secured as trust funds in the manner provided by the regulations of the Comptroller of the Currency as from time to time in effect, all funds or securities in the custody of the Trustee, in excess of the amount of such deposit insured by the Federal Deposit Insurance Corporation, shall be invested in Authorized Investments at the written direction of the County.

Section 12.14 Disposition of Paid Bonds.

It shall be the duty of the Trustee to cancel all Bonds which shall have been paid, whether upon their maturity or redemption prior to maturity; such cancellation shall be done in such fashion as to render such Bonds incapable of further negotiation or hypothecation. In any event it shall furnish appropriate certificates or documents to the County indicating the disposition of such Bonds.

Section 12.15 Appointment of Substitute Registrar.

The County may, from time to time, appoint a Registrar or Registrars to act in the place and stead of the Trustee as Registrar of the Bonds of one or more Series. The County shall cause written notice of such appointment to be mailed to the Holders of all Bonds affected by such appointment 30 days prior to the effective date of such appointment.

Section 12.16 Additional Provisions Regarding the Trustee.

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Bond Ordinance, and no implied covenants or obligations should be read into this Bond Ordinance against the Trustee.

(b) The Trustee agrees to perform the trust functions provided herein upon and subject to the expressed terms and conditions of this Section 12.16.

(c) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents or receivers appointed with due care.

(d) The permissive items assigned to the Trustee as enumerated herein shall not be construed as a duty.

(e) The Trustee shall not be accountable for the use or application by the County of any money paid over by the Trustee in accordance with the provisions of this Bond Ordinance.

(f) Before taking any action under this Bond Ordinance relating to an Event of Default or in connection with its duties under this Bond Ordinance other than making payments of principal and interest on the Bonds as they become due or causing an acceleration of the Bonds whenever required by this Bond Ordinance, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all costs and expenses to which it may be subject (including legal fees, costs and expenses) and to protect it against all liability, including, but not limited to, any liability arising directly or indirectly under any federal, state or local statute, rule, law or ordinance related to the protection of the environment or hazardous substances and except liability which is adjudicated to have resulted from its own negligence or willful misconduct in connection with any action so taken.

(g) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any state or federal tax or securities laws in connection with the Bonds.

(h) None of the provisions of this Bond Ordinance shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have

reasonable grounds for believing that repayment of such funds cannot be assured to the Trustee's satisfaction.

(i) The Trustee may conclusively rely upon the County's written instructions as to both the suitability and legality of all investments directed hereunder and their qualification as Authorized Investments. The Trustee shall have no responsibility to monitor the ratings of investments after the initial purchase of such investments or to confirm whether an investment continues to be an Authorized Investment and shall have no liability if such investment ceases to be an Authorized Investment. The Trustee may, but it not required to, make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge reasonable fees for such trades, including cash sweep accounts. Notwithstanding anything to the contrary herein, in the absence of written investment instructions from the County, the Trustee shall not be responsible or liable for keeping moneys held by it hereunder fully invested. The Trustee shall not be liable for any losses from or diminution in the value of such investments executed pursuant to the written direction of the County. Broker confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered.

(j) The Trustee shall have no duty to review or analyze any financial statements delivered to it hereunder (including the audit required by Section 9.02 hereof) or verify the accuracy thereof and shall hold such financial statements solely as a repository for the benefit of the Bondholders; the Trustee shall not be deemed to have notice of any information contained therein or Event of Default which may be disclosed therein.

(k) The County shall pay to the Trustee reasonable compensation for all services performed by it hereunder and also its reasonable expenses, charges and other disbursements and the fees, costs, and expenses of its attorneys, agents and employees incurred in and about the administration and the performance of its powers and duties hereunder. If the Trustee is required by a governmental agency or court proceeding initiated by a third party to undertake efforts beyond that which is set forth herein but related thereto, the Trustee shall notify the County of same in writing. Payment for such extraordinary fees, costs and expenses (including but not limited to reasonable attorney's fees, costs and expenses) shall be made promptly by the County only after said notice.

(l) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Bond Ordinance arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation: acts of God; earthquakes; fire; flood; hurricanes or other catastrophic storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(m) Upon request from any Bondholder and absent any further direction or consent of the County, the Trustee may disseminate a copy of the financial statements to such requester.

(n) The Trustee shall have the right to accept and act upon directions or instructions delivered using Electronic Means; provided, however, that the County shall provide to the Trustee an incumbency certificate listing qualified officers with the authority to provide such directions or instructions (each a “*Qualified Officer*”) and containing specimen signatures of such Qualified Officers, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the County elects to give the Trustee directions or instructions using Electronic Means and the Trustee in its discretion elects to act upon such directions or instructions, the Trustee’s understanding of such directions or instructions shall be deemed controlling. The County understands and agrees that the Trustee cannot determine the identity of the actual sender of such directions or instructions and that the Trustee shall conclusively presume that directions or instructions that purport to have been sent by a Qualified Officer listed on the incumbency certificate provided to the Trustee have been sent by such Qualified Officer. The County shall be responsible for ensuring that only Qualified Officers transmit such directions or instructions to the Trustee and that all Qualified Officers treat applicable user and authorization codes, passwords and/or authentication keys as confidential and with extreme care. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such directions or instructions notwithstanding such directions or instructions conflict or are inconsistent with a subsequent written direction or written instruction. The County agrees: (i) to assume all risks arising out of the use of Electronic Means to submit directions or instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized directions or instructions, and the risk of interception and misuse by third parties, (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting directions or instructions to the Trustee and that there may be more secure methods of transmitting directions or instructions, and (iii) that the security procedures (if any) to be followed in connection with its transmission of directions or instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances.

* * *

ARTICLE XIII

DEFEASANCE

Section 13.01 Defeasance Generally.

Subject to the provisions of any Series Ordinance, if all of the Bonds issued pursuant to this Bond Ordinance and any other amounts required to be paid to the Trustee and a provider of a surety bond, line of credit, insurance policy or letter of credit hereunder shall have been paid and discharged, then the obligations of the County under this Bond Ordinance, the pledge of Pledged Revenues made hereby, and all other rights granted hereby shall cease and determine. Subject to the provisions of any Series Ordinance, Bonds shall be deemed to have been paid and discharged within the meaning of this Article under each of the following circumstances:

- (1) The Trustee shall hold, at the stated maturities of such Bonds (or properly noticed redemption or prepayment dates), in trust and irrevocably appropriated thereto, sufficient money for the payment thereof,
- (2) If default in the payment of the Principal Installments of such Bonds or the interest thereon shall have occurred and thereafter tender of such payment shall have been made, and the Trustee shall then hold in trust and irrevocably appropriated thereto, sufficient money for the payment thereof to the date of the tender of such payment, or
- (3) If the County shall have deposited with the Trustee, or any other bank or trust company which would otherwise meet the chartering and capital and surplus requirements contained in Section 12.09(a) hereof (after properly establishing an escrow account therefor), in irrevocable trust money or Defeasance Obligations, the principal of and interest on which when due (without reinvestment thereof) will, as certified in a verification report provided by an independent entity providing such services and selected by the County, provide money which, together with the money, if any, deposited at the same time, shall be sufficient to pay, when due, the principal, interest and redemption premium, if any, due and to become due on and prior to the maturity, or, if the County has irrevocably elected to redeem Bonds, on and prior to the redemption date, of such Bonds.

Section 13.02 Money to be Held in Trust - When Returnable to the County.

Any money which at any time shall be deposited with the Trustee or other escrow holder authorized under paragraph (3) of Section 13.01 by or on behalf of the County for the purpose of paying and discharging any Bonds or the interest thereon, shall be and is hereby assigned, transferred and set over to the Trustee or such other escrow holder in trust for the applicable Holders of the Bonds, and such money shall be and is hereby irrevocably appropriated to the payment and discharge thereof. But if, through lapse of time or otherwise, the Holders of said Bonds shall no longer be entitled to enforce payment of their obligations, then, in such event, it

shall be the duty of the Trustee or such other escrow holder to forthwith return said funds to the County.

Section 13.03 Deposits with Trustee Subject to Conditions of Article XIII.

The County covenants and agrees that any money which it shall deposit with the Trustee shall be deemed to be deposited in accordance with, and subject to, the applicable provisions of this Article, and that whenever it shall have elected to redeem Bonds it will irrevocably bind and obligate itself to give notice of redemption thereof, and will further authorize and direct the Trustee to cause the publication of such notice of redemption in its name and on its behalf.

Section 13.04 No Defeasance of Series of Bonds Paid by Insurer.

In the event that the Principal Installments and/or interest due on a Series of Bonds shall be paid by an Insurer pursuant to a Municipal Bond Insurance Policy, such Series of Bonds shall remain Outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the County until the Insurer has been reimbursed in full therefor in accordance with the terms of the Municipal Bond Insurance Policy, and the assignment and pledge of the Pledged Revenues of the System and all covenants, agreements and other obligations of the County to the registered Holders shall continue to exist and shall run to the benefit of the Insurer, and the Insurer shall be subrogated to the rights of such registered Holders.

* * *

ARTICLE XIV

MISCELLANEOUS

Section 14.01 Miscellaneous Rights of an Insurer.

(a) Notwithstanding any provision of this Bond Ordinance to the contrary, each Insurer shall be deemed the exclusive Holder of all Bonds insured by that Insurer, for the purposes of all approvals, consents, waivers, institution of any action, and the direction of all remedies. No rights granted to an Insurer by this Bond Ordinance or any Series Ordinance shall be effective at any time that such Insurer is in breach of its obligations under the Municipal Bond Insurance Policy, has committed a default under the Municipal Bond Insurance Policy or is subject to bankruptcy or receivership proceedings. Additionally, this paragraph (a) shall be effective only in the event the Insurer's Municipal Bond Insurance Policy results in being rated at least investment grade by either S&P or Moody's.

(b) Any provision of this Bond Ordinance expressly recognizing or granting rights in or to an Insurer may not be amended in any manner which affects the rights of such Insurer hereunder without the prior written consent of each such Insurer.

(c) To the extent that an Insurer makes payment of the principal of or interest on any Bonds, it shall become the owner and Holder of such Bonds, appurtenant coupons or right to payment of such principal of or interest on such Bonds and shall be fully subrogated to all of the registered Holders' rights thereunder, including the registered Holders' rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee shall note Insurer's rights as subrogee on the registration books of the County maintained by the Trustee or Registrar upon receipt of proof from the Insurer as to payment of interest thereon to the registered Holders of the Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Trustee shall note the Insurer's rights as subrogee on the registration books of the County maintained by the Trustee or Registrar upon surrender of the Bonds by the registered Holders thereof to the Insurer or its agent.

(d) In the event that the principal of and/or interest on any Bonds shall be paid by the Insurer pursuant to the terms of its Municipal Bond Insurance Policy, (i) such Bonds shall continue to be "Outstanding" under this Bond Ordinance, and (ii) the assignment and pledge of the Pledged Revenues and all covenants, agreements and other obligations of the County to the registered Holders shall continue to exist, and the Insurer shall be fully subrogated to all of the rights of such registered Holders in accordance with the terms and conditions of subparagraph (c) above and the Insurer's Municipal Bond Insurance Policy.

(e) The terms and provisions of this Bond Ordinance or of any applicable Series Ordinance may not be terminated as long as there are any moneys owed to an Insurer under such terms and provisions of this Bond Ordinance or the applicable Series Ordinance or any agreement between such Insurer and the County.

Section 14.02 Purpose of Covenants in Bond Ordinance.

Every covenant, undertaking and agreement made on behalf of the County, as set forth in this Bond Ordinance and any Series Ordinance is made, undertaken and agreed to, for the proper securing of the payment of the principal of and interest on the Bonds. Each shall be deemed to partake of the obligation of the contract between the County and the Bondholders and shall be enforceable accordingly. In this connection, any provider of a surety bond, line of credit, insurance policy or letter of credit as contemplated under Section 7.05(e) hereof may enforce the terms, conditions and obligations under this Bond Ordinance as a third-party beneficiary hereunder. Nothing in this Bond Ordinance and any Series Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the County, the Insurers, the Trustee, and the Holders of the Bonds, any right, remedy or claim under or by reason of this Bond Ordinance and any Series Ordinance or any covenant, condition or stipulation thereof, and all covenants, stipulations, promises and agreements in this Bond Ordinance contained by and on behalf of the County shall be for the sole and exclusive benefit of the County, the Insurers, the Trustee, and the Holders of the Bonds.

Section 14.03 Coordination with Accommodations Fee Act and Concurrent Authorization.

County Council acknowledges and agrees that the Accommodations Fee is subject to and imposed under the Accommodations Fee Act to the extent and at the rate allowed by the Accommodations Fee Act. To the extent the Accommodations Fee is imposed at a rate in excess of that presently allowed by the Accommodations Fee Act, such amount is grandfathered under the Bond Act and such amount constitutes nontax revenues for the purposes of the Bond Act. To the extent any provision of the Accommodations Fee Act is more restrictive than the Accommodation Fee Ordinance, the Accommodations Fee Act shall control. Such concurrent authorization for the Accommodations Fee shall under no circumstances be construed as the imposition of a new fee or tax; such authorization is entirely supplementary and concurrent in nature.

Section 14.04 Severability.

If any Section, paragraph, clause or provision of this Bond Ordinance shall be held invalid, the invalidity of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Bond Ordinance.

Section 14.05 Remedies Granted by Ordinance Not Being Available to Holders of Other Bonds.

If it shall be held by any court of competent jurisdiction that any right or remedy granted by this Bond Ordinance or any Series Ordinance to the Holders of any Bond is not available to the Holders of all other Bonds, then such rights and remedies are herewith conferred upon the Holders of such other Bonds.

Section 14.06 Authorization to Sign.

For purposes of all consents and other necessary documentation associated with the issuance of Bonds, the Authorized Officers and the Clerk shall be authorized to sign on behalf of the County.

Section 14.07 Repealing Clause.

All ordinances, or parts thereof, inconsistent herewith shall be and the same are hereby repealed to the extent of such inconsistencies.

Section 14.08 Governing Law.

The provisions of this Bond Ordinance shall be governed by the laws of the State, without regard to conflict of law principles.

Section 14.09 Notices.

Notices to the County and the Trustee may be transmitted to the following addresses as follows:

If to the County:

Anderson County
101 South Main Street
Anderson, SC 29624
Attn: County Administrator

If to the Trustee:

U.S. Bank Trust Company, National Association
1441 Main Street, Suite 775
Columbia, SC 29201
Attn: Corporate Trust

The County and the Trustee may designate any further or different addresses to which subsequent notice, certificates or other communications may be sent

Section 14.10 Date Effective.

The provisions of this Bond Ordinance shall become effective upon enactment.

* * *

ORDAINED in meeting duly assembled this 17th day of February 2026.

ATTEST:

ANDERSON COUNTY COUNCIL

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman

Renee Watts
Anderson County Clerk to Council

Approved as to form:

Leon C. Harmon
Anderson County Attorney

First Reading: January 20, 2026
Second Reading: February 3, 2026
Public Hearing: February 17, 2026
Third Reading: February 17, 2026

ORDINANCE NO. 2026-006

A SERIES ORDINANCE OF ANDERSON COUNTY, SOUTH CAROLINA PROVIDING FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO FINANCE TOURISM-RELATED PROJECTS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$12,700,000; AND PROVIDING FOR OTHER MATTERS RELATING THERETO

SERIES ORDINANCE

Enacted February 17, 2026

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NOW THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF ANDERSON COUNTY, IN MEETING DULY ASSEMBLED, THAT:

ARTICLE I

FINDINGS AND DETERMINATIONS

Section 1.01 Findings and Determinations.

Incident to the enactment of this Series Ordinance (this “**2026 Series Ordinance**”), and the issuance of the bonds provided for herein, the County Council of Anderson County (the “**County Council**”), the governing body of Anderson County, South Carolina (the “**County**”), finds that the facts set forth in this Article exist and the following statements are in all respects true and correct:

(a) The County Council has made general provision for the issuance of revenue bonds of the County for tourism-related purposes (“**Bonds**”), through the means of an ordinance enacted on February 17, 2026, entitled “A MASTER BOND ORDINANCE OF ANDERSON COUNTY, SOUTH CAROLINA PROVIDING FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO DEFRAY THE COSTS OF VARIOUS TOURISM-RELATED PROJECTS SECURED BY CERTAIN COUNTY FEES; DEFINING THE TERMS AND SECURITY FOR SUCH BONDS; AND OTHER MATTERS RELATING THERETO” (the “**Bond Ordinance**”). Capitalized terms used herein and not otherwise defined shall have the meaning given to such term in the Bond Ordinance.

(b) It is provided in and by the Bond Ordinance that, upon enactment of a “Series Ordinance,” there may be issued one or more Series of Bonds for the purpose of, *inter alia*: (1) obtaining funds to defray the costs of a Project, including the recoupment or reimbursement of funds already so expended; (2) providing funds for the payment of any Bond Anticipation Note issued in order to defray the cost of a Project and that were issued in anticipation of the issuance and sale of Bonds; (3) refunding Bonds or other obligations issued to finance a Project or improvement that would qualify as a Project; (4) providing funds for the payment of interest due on any Bonds; (5) funding any Debt Service Reserve Fund or restoring the value of the cash and securities in any Debt Service Reserve Fund to the amount equal to its Reserve Requirement, and reimbursing amounts owed to any providers of a surety bond, line of credit, insurance policy or letter of credit established pursuant to Section 7.04(d) of the Bond Ordinance; and (6) paying the costs of issuance of Bonds, including any costs of credit enhancement therefor.

(c) On the basis of the authority provided in the Bond Ordinance, the County has determined to issue the Series 2026 Bonds (as defined herein) to provide funds: (i) to defray or reimburse the costs of tourism-related projects in the County, including (A) comprehensive improvements to and renovations of the amphitheater and related infrastructure at the Anderson Civic Center, (B) the addition of additional boat ramp lanes, courtesy dock, and supporting infrastructure at Green Pond Ramp and Dock, (C) the replacement of the boat ramp and docks with a new boat ramp and dock and supporting infrastructure at the McFalls Landing Ramp and Dock, (D) improvements to Dolly Cooper Park, and (E) improvements to Wellington Park ((A)

through (E), the “**2026 Project**”), and (ii) to pay certain costs and expenses relating to the issuance of the Series 2026 Bonds.

(d) County Council specifically finds that the 2026 Projects will primarily benefit those that do not reside in the immediate areas improved through the 2026 Project, but rather those that enter such areas for reasons of recreation or leisure. The County has seen tremendous growth in tourism on a regional and national basis related to fishing that drives significant demand for tourist accommodation. The boat ramp and landing projects will serve this proven demand for enhanced infrastructure to serve fishing tourism. In addition, the County parks improved through the 2026 Project are intended to provide a location to enjoy recreation and leisure for those that do not reside in the immediate area of the park, but rather enter the area of the parks for reasons of recreation or leisure.

(e) By reason of the foregoing, the County has determined to enact this 2026 Series Ordinance in accordance with the terms and provisions of the Bond Ordinance in order to issue Bonds for the purposes described in paragraph (c) above.

Section 1.02 Determinations Required by Section 4.01(b) of the Bond Ordinance.

- (a) The County Council hereby specifies and determines that:
- (1) the Date of Issue of the Series 2026 Bonds shall be the date that the Series 2026 Bonds are executed and delivered, or such other date as shall be determined by an Authorized Officer pursuant to Article IV hereof;
 - (2) the maximum aggregate authorized principal amount of the Series 2026 Bonds is set forth at Section 3.01 hereof, and the exact principal amount of the Series 2026 Bonds shall be determined by an Authorized Officer at the closing of the Series 2026 Bonds pursuant to Article IV hereof;
 - (3) the Bond Payment Dates, the Record Dates, and the date or dates of maturity and amounts of maturity of the Series 2026 Bonds shall be determined by an Authorized Officer at the closing of such Series 2026 Bonds pursuant to Article V hereof, provided, however, no such Series 2026 Bond shall mature later than as specific in Section 3.03(a) hereof;
 - (4) the issuance of the Series 2026 Bonds are necessary to provide funds to be used and expended for purposes set forth in Section 3.01(a) of the Bond Ordinance, as such purposes are particularly described at Section 3.02 hereof;
 - (5) the title and designation of the Series 2026 Bonds shall be as set forth at Section 3.01 hereof or as otherwise determined by an Authorized Officer pursuant to Article IV hereof;

- (6) the Series 2026 Bonds shall be sold in accordance with Article VII hereof in the manner determined by an Authorized Officer as authorized by Article IV hereof;
- (7) the Series 2026 Bonds shall bear interest at rates as determined by an Authorized Officer through the sale procedures of Article VII hereof, and The County will not enter into any interest rate swap or similar transaction with respect to the Series 2026 Bonds;
- (8) the Series 2026 Bonds may be issued as either Serial Bonds or Term Bonds (with appropriate mandatory redemption provisions), but not Capital Appreciation Bonds, as determined by an Authorized Officer pursuant to Article IV hereof;
- (9) the Redemption Prices and dates applicable to any Series of Series 2026 Bonds shall be as determined by an Authorized Officer at the closing of such Series 2026 Bonds pursuant to Article IV hereof;
- (10) U.S. Bank Trust Company, National Association (the “*Trustee*”) shall serve as Trustee, Paying Agent, and Registrar for the Series 2026 Bonds;
- (11) the Series 2026 Bonds shall be in the form as provided at Section 3.09 hereof and Exhibit A hereof, with such revisions as may be approved by an Authorized Officer pursuant to Article IV hereof upon the advice of Bond Counsel, the execution thereof being conclusive evidence of such approval;
- (12) the initial maturity of the Series 2026 Bonds shall be numbered R-1 and any other Series 2026 Bonds thereafter shall be sequentially numbered “R- ” thereafter, and shall be issued in denominations of \$5,000 or any integral multiple thereof in one or more Series in the denomination of the principal amount of such Series of Series 2026 Bonds;
- (13) the Series 2026 Bonds may be issued in book-entry form, as permitted by Section 4.20 of the Bond Ordinance, as determined by an Authorized Officer at the closing of such Series 2026 Bonds pursuant to Article IV hereof;
- (14) the County has no outstanding Bonds and therefore there is no Reserve Requirement;
- (15) no Reserve Requirement is being established and therefore no Debt Service Reserve Fund shall be established in connection with the Series 2026 Bonds;
- (16) the proceeds of Series 2026 Bonds shall be applied as set forth at Article VI hereof;

- (17) the 2026 Bond Fund Account is established pursuant to Section 3.06 hereof; and
- (18) the County estimates that the cost of the 2026 Project will be \$13,900,00, and that the portion to be defrayed from the Series 2026 Bonds, inclusive of financing and related costs, will be approximately \$12,700,000.

* * *

ARTICLE II

DEFINITIONS AND CONSTRUCTION

Section 2.01 Definitions.

(a) Except as provided in subsection (b) below, all capitalized terms which are defined in Section 2.02 of the Bond Ordinance shall have the meanings given thereby in this 2026 Series Ordinance.

(b) As used in this 2026 Series Ordinance, unless the context shall otherwise require, the following terms shall have the following respective meanings:

“**2026 Bond Fund Account**” means the account of that name established by this 2026 Series Ordinance pursuant to Section 7.03 of the Bond Ordinance.

“**2026 Project Fund**” means the fund created at Section 6.02 hereof.

“**2026 Reserve Requirement**” means \$0.

“**2026 Series Ordinance**” has the meaning ascribed thereto in Section 1.01 hereof.

“**Bond Payment Date**” means the annual or semi-annual dates as may be determined under the provisions of Article IV hereunder.

“**Date of Issue**” means with respect to a Series of Series 2026 Bonds the date of delivery thereof, or the date determined under Article IV in accordance with Section 3.03 hereof.

“**Governmental Unit**” means a state or local governmental unit within the meaning of Section 141(b) of the Code.

“**Nongovernmental Person**” means any Person other than a Governmental Unit.

“**Person**” or “**person**” means firms, associations, partnerships (including limited partnerships), trusts, corporations, or other legal entities, including public bodies, as well as natural persons.

“**2026 Project**” has the meaning given such term in Section 1.01(c) hereof.

“**Serial Bonds**” means any Series of the 2026 Bonds which are stated to mature in installments and for which there are no mandatory sinking fund provisions.

“**Series 2026 Bonds**” means the one or more Series of Bonds authorized and designated by Section 3.01 of this 2026 Series Ordinance.

“**Taxable Bonds**” has the meaning given such term in Section 9.01(f) hereof.

“**Term Bonds**” means any of the Series 2026 Bonds which are stated to mature in a given year and which are subject to mandatory sinking fund redemption prior to the stated maturity date.

“**Trustee**” means U.S. Bank Trust Company, National Association, its successors and assigns.

Section 2.02 Authority for this 2026 Series Ordinance.

This 2026 Series Ordinance is enacted pursuant to the provisions of the Bond Ordinance.

* * *

ARTICLE III

AUTHORIZATION AND TERMS OF THE SERIES 2026 BONDS

Section 3.01 Principal Amount; Designation of Series 2026 Bonds.

(a) Pursuant to the provisions of the Bond Ordinance, the Series 2026 Bonds of the County entitled to the benefits, protection, and security of the provisions of the Bond Ordinance are hereby authorized in the aggregate principal amount of not exceeding \$12,700,000; such Series of Bonds so authorized shall be designated as the “Anderson County, South Carolina Revenue Bonds, Series 2026,” “Anderson County, South Carolina Limited Obligation Bonds, Series 2026,” or such other designation as may be determined by an Authorized Officer to appropriately describe the Series 2026 Bonds, and shall bear a numeric or alphanumeric Series designation as may be necessary to distinguish them from the Bonds of every other Series, and shall designate the year in which the Series is issued. The Series 2026 Bonds may be sold as a single Series or from time to time as multiple Series bearing any such designation as appropriate. References herein to the Series 2026 Bonds shall include all Series of Bonds authorized by this 2026 Series Ordinance. As authorized by Section 9.01(g) hereof, any Series of the Series 2026 Bonds may be issued as Taxable Bonds and in such event it shall bear an appropriate designation so as to distinguish its tax status.

(b) Should the Series 2026 Bond not be issued in calendar year 2026, the designation for the Series 2026 Bond and all other references to “2026” recited herein shall be changed to appropriately reflect the year of such actual issuance.

Section 3.02 Purposes of the Series 2026 Bonds.

The Series 2026 Bonds are authorized for the principal purposes of:

- (1) defraying or reimbursing the cost of the 2026 Project; and
- (2) paying the costs of issuance of the Series 2026 Bonds.

Section 3.03 Date of Issue; Interest Rates; Maturity; Redemption.

(a) The Date of Issue of each Series of Series 2026 Bonds shall be the date of delivery thereof, subject to an alternate designation by an Authorized Officer pursuant to Article IV hereof. Series 2026 Bonds shall mature on such dates and in such principal amounts, and shall bear interest at such rates, as may be determined by an Authorized Officer pursuant to Article IV hereof, provided that the final maturity of any Series of Series 2026 Bonds shall not extend beyond December 31, 2046. Series 2026 Bonds shall mature as Serial Bonds or Term Bonds, with such mandatory sinking fund installments as are set forth in a schedule approved by the Authorized Officer prior to or simultaneously with the issuance of such Series 2026 Bonds.

(b) Interest on any Series of Series 2026 Bonds shall be payable on such Bond Payment Dates as are determined by an Authorized Officer pursuant to Article IV hereof. Such interest shall

be calculated on the basis of a 360-day year consisting of twelve 30-day months. Consistent with the terms of the Bond Ordinance, the Record Dates for the payment of interest on Series 2026 Bonds shall be the 15th day of the month prior to each Bond Payment Date.

(c) Series 2026 Bonds may be subject to redemption prior to maturity, upon such terms and conditions, and at such Redemption Prices, as may be established by an Authorized Officer pursuant to Article IV hereof, prior to or simultaneously with the issuance of the applicable Series of Series 2026 Bonds.

Section 3.04 Authentication; Payment of Series 2026 Bonds.

(a) The Series 2026 Bonds shall be authenticated by the Registrar on or before such date as it shall, in each case, be delivered. Each of the Series 2026 Bonds shall bear interest from its respective Date of Issue if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of authentication of such Series 2026 Bonds.

(b) The interest on the Series 2026 Bonds shall be paid by check or draft mailed from the office of the Trustee to the person in whose name each of the Series 2026 Bonds is registered at the close of business on the Record Date; provided, however, that any Holder of such Series 2026 Bonds in the aggregate principal amount of \$1,000,000 or more may request (in writing, delivered to the paying agent at least 20 days prior to the applicable Bond Payment Date) that interest payments be made by wire transfer to such Holder at an account maintained by a financial institution located in the continental United States specified in such request.

(c) Presentment of the Series 2026 Bonds for payment shall not be required, except for the final payment of the principal and interest thereon or upon such other condition or indicia of satisfaction as may be mutually agreed upon by the County and the Holder of such Series 2026 Bonds, notice of which shall be provided to the Trustee in advance of such final payment.

Section 3.05 Denomination of the Series 2026 Bonds.

(a) Series 2026 Bonds shall be issued in denominations of \$1,000, \$5,000, or any multiple thereof. Each Series 2026 Bond shall be numbered by the Trustee in such a fashion as to reflect the fact that it is one of the Series 2026 Bonds, and to identify the owner thereof on the books kept by the Registrar. The initial maturity of the Series 2026 Bonds shall be numbered R-1, and thereafter sequentially "R-" numbered for identification.

(b) As necessary for the marketability and sale of the Series 2026 Bonds, an Authorized Officer may determine to authorize any Serial Bonds to be issued with split serial maturities.

Section 3.06 Establishment of 2026 Bond Fund Account.

In accordance with Section 7.03 of the Bond Ordinance, the Trustee is hereby directed to establish the 2026 Bond Fund Account under the Bond Fund on the Date of Issue of the Series 2026 Bonds for the benefit of the Holders of the Series 2026 Bonds. In the event that more than

one Series of Bonds is issued pursuant to the terms of this 2026 Series Ordinance, a Bond Fund Account (and any applicable subaccounts permitted under the Bond Ordinance) shall be established for each such Series.

Section 3.07 No Debt Service Reserve Fund.

No Debt Service Reserve Fund shall be established in connection with the Series 2026 Bonds.

Section 3.08 Appointment of Trustee, Paying Agent and Registrar.

U.S. Bank Trust Company, National Association is hereby appointed as Trustee, Paying Agent, and Registrar under the Bond Ordinance and this 2026 Series Ordinance. The Trustee shall signify its acceptance of the duties of Trustee, Paying Agent, and Registrar upon delivery of the Series 2026 Bonds. The County shall pay to the Trustee from time to time reasonable compensation based on the then-standard fee schedule of such parties for all services rendered under the Bond Ordinance and this 2026 Series Ordinance, and also all reasonable expenses, charges, counsel fees, and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under the Bond Ordinance and this 2026 Series Ordinance.

The Series 2026 Bonds shall be presented for registration of transfers and exchanges, and notices and demands to or upon the Trustee and the County in respect of the Series 2026 Bonds shall be served, at the corporate trust office of the Trustee.

The Trustee (or any affiliate thereof which holds the funds and accounts hereunder as depository on behalf of the Trustee) shall be a member of the Federal Deposit Insurance Corporation (the “**FDIC**”) and shall remain such a member throughout the period during which it shall act as Trustee, Paying Agent, and Registrar. The Trustee, in its capacity as Trustee, Paying Agent, and Registrar, shall accept its appointment by a written instrument embodying its agreement to remain, or maintain an affiliate that serves as depository that is, a member of the FDIC. Unless the same be secured as trust funds in the manner provided by the applicable regulations of the Comptroller of the Currency of the United States of America, and unless otherwise provided for in the Bond Ordinance and in this 2026 Series Ordinance, all moneys in the custody of the Trustee (or such affiliate thereof) in excess of the amount of such deposit insured by the FDIC shall be secured in Authorized Investments at the written direction of the Authorized Officer that are at least equal to the sum on deposit and not insured by the FDIC.

Section 3.09 Form of Series 2026 Bonds.

Series 2026 Bonds, together with the certificate of authentication, certificate of assignment and/or statement of insurance, if any, are to be in substantially the form attached hereto as Exhibit A with such necessary and appropriate variations, omissions and insertions as permitted or required upon advice of Bond Counsel and as determined by an Authorized Officer, or as otherwise authorized by the Bond Ordinance or this 2026 Series Ordinance. The execution of the

Series 2026 Bonds shall constitute conclusive evidence of the approval of any changes to the form of any Series 2026 Bond.

* * *

ARTICLE IV

CERTAIN DELEGATIONS AND AUTHORIZATIONS

Section 4.01 Certain Delegations.

The County Council hereby expressly delegates to an Authorized Officer the authority, with respect to the Series 2026 Bonds, to determine, in connection with any Series of Series 2026 Bonds issued hereunder:

- (1) whether to issue the Series 2026 Bonds as a single Series or from time to time in several Series;
- (2) the manner of sale of such Series 2026 Bonds in accordance with Article VII hereof and the award of such Series 2026 Bonds in connection with such sale;
- (3) the final form of such Series 2026 Bonds, whether to modify the Series designation in accordance with Section 3.01 hereof, and the exact principal amount of any Series of such Series 2026 Bonds;
- (4) whether and the extent to which such Series of Series 2026 Bonds shall be issued as Term Bonds or Serial Bonds;
- (5) the Date of Issue (if other than the date of delivery), Bond Payment Dates, rate or rates of interest obtained using the sale procedures of Article VII hereof, provided that no coupon rate of interest shall exceed 6%, the maturity schedule, and the final maturity of each Series of Series 2026 Bonds, subject to Section 3.03 hereof;
- (6) whether any Series of the Series 2026 Bonds shall be subject to optional or mandatory redemption prior to maturity, and if so, the redemption provisions and Redemption Prices applicable thereto;
- (7) whether one or more Series of the Series 2026 Bonds will be designated as “qualified tax-exempt obligations” pursuant to the Code;
- (8) whether such Series 2026 Bonds (or any Series thereof) shall be issued as a Taxable Bond; and
- (9) such other matters regarding the Series 2026 Bonds as are necessary or appropriate to effect the issuance and sale thereof.

* * *

ARTICLE V

EXECUTION; NO RECOURSE

Section 5.01 Execution of the Series 2026 Bonds.

The Series 2026 Bonds shall be executed and attested by the Chairman and the Clerk, respectively, in accordance with the applicable provisions of the Bond Ordinance; however, in the absence of the Chairman or the Clerk for any reason, an Authorized Officer shall be authorized to either execute the Series 2026 Bonds or attest to the execution of the Series 2026 Bonds on behalf of the absent party; however, in no event shall the same Authorized Officer be permitted to both execute and attest to the Series 2026 Bonds. If acting on behalf of an absent person, such Authorized Officer shall be authorized to execute, sign, certify or attest any documentation otherwise required of the Chairman or Clerk respecting the issuance and delivery of the Series 2026 Bonds.

Facsimile or electronic signatures by the Chairman, the Clerk, or any Authorized Officer are expressly authorized and permitted with respect to the Series 2026 Bonds and all closing documents and certificates associated therewith.

Section 5.02 No Recourse on the Series 2026 Bonds.

All covenants, stipulations, promises, agreements and obligations of the County contained in the Bond Ordinance or in this 2026 Series Ordinance shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the County and not those of any officer or employee of the County in his or her individual capacity, and no recourse shall be had for the payment of the principal or Redemption Price of or interest on the Series 2026 Bonds or for any claim based thereon or on the Bond Ordinance or on this 2026 Series Ordinance, either jointly or severally, against any officer or employee of the County or any person executing the Series 2026 Bonds.

* * *

ARTICLE VI

APPLICATION OF BOND PROCEEDS

Section 6.01 Use and Disposition of Bond Proceeds.

Upon the delivery of any Series 2026 Bonds and receipt of the proceeds thereof, net of underwriter's discount or premium, such funds shall be disbursed to the Trustee pursuant to a closing memorandum authorized by an Authorized Officer and applied as follows:

- (1) to fund the 2026 Project Fund; and
- (2) the remaining net proceeds shall be used to pay the costs of issuance of the Series 2026 Bonds.

Section 6.02 Establishment of 2026 Project Fund; Excess Funds.

There is hereby established, in accordance with Section 7.07 of the Bond Ordinance, the "2026 Project Fund," and the Authorized Officer is authorized to create a "2026 Costs of Issuance Account" therein. There shall be paid into the 2026 Project Fund the sums prescribed by paragraph (1) of Section 6.01 hereof. The 2026 Project Fund shall be held and controlled by the County pursuant to the terms of the Bond Ordinance and this 2026 Series Ordinance, unless otherwise determined by the Authorized Officer at the closing of the Series 2026 Bonds. Moneys held in the 2026 Project Fund shall be invested and reinvested at the written direction of the Authorized Officer in Authorized Investments. If there are any funds remaining in the 2026 Project Fund upon completion of the Project, such funds shall be transferred to the 2026 Bond Fund Account and used to pay principal of and interest on the Series 2026 Bonds as the same come due.

* * *

ARTICLE VII

SALE OF BONDS

Section 7.01 Sale of Bonds.

The Series 2026 Bonds shall be sold to an institution or institutions as a single instrument as a means of making a commercial loan (a “*Direct Placement Purchaser*”) pursuant to negotiation, with or without providing for distribution of a Request for Proposals. In such case, the County authorizes an Authorized Officer to solicit, or cause to be solicited, financing proposals from prospective purchasers of Series 2026 Bonds and award the Series 2026 Bonds after negotiation with prospective purchasers. Such Series 2026 Bonds shall be issued as a single Series (or separate single Bonds if the Series 2026 Bonds are sold in multiple Series), without CUSIP identification (unless otherwise agreed by the Direct Placement Purchaser and an Authorized Officer on behalf of the County). The Direct Placement Purchaser of such Series 2026 Bonds shall execute an investor letter to the County acknowledging its purchase of the Series 2026 Bonds as a means of making a commercial loan.

Section 7.02 Certain Financial Information to be Provided to Purchaser. .

As requested by a Direct Placement Purchaser of the Series 2026 Bonds, the County may furnish, or agree or arrange to provide, financial information related to or affecting the County as the Direct Placement Purchaser may reasonably request or require, and as may be agreed upon between such Direct Placement Purchaser and the County. Upon reasonable notice, the County shall permit any Holder of the Series 2026 Bonds, or its agents and representatives, to inspect during regular business hours the County’s books and records relating to or affecting the County and to make extractions therefrom.

* * *

ARTICLE VIII
SERIES 2026 NOTES

Section 8.01 Authority to Issue Series 2026 Notes.

(a) If an Authorized Officer should determine that issuance of Series 2026 Notes, in one or more series, pursuant to the BAN Act would be in the best interest of the County, upon the advice of the Financial Advisor, such Authorized Officer is hereby directed and authorized to effect the issuance of Series 2026 Notes pursuant to the BAN Act. If Series 2026 Notes are issued and if, upon the maturity thereof the Authorized Officer should determine that renewal or refunding of any Series 2026 Notes would be in the best interest of the County, the Authorized Officer is directed and authorized to continue the renewal or refunding of Series 2026 Notes until the Authorized Officer determines to issue Series 2026 Bonds on the basis as aforesaid, and such Series 2026 Bonds are issued. The aggregate stated principal amount of all Series 2026 Notes outstanding from time to time shall not exceed \$12,700,000.

(b) The proceeds of any Series 2026 Notes issued hereunder shall be applied for the purpose for which proceeds of the Series 2026 Bonds may be applied pursuant to Section 7.01 hereof, to provide for the renewal or refunding of any Series 2026 Notes, or to provide for the costs of issuance thereof, or any combination thereof.

Section 8.02 Details of Series 2026 Notes.

Subject to changes in terms required for any particular issue of Series 2026 Notes, Series 2026 Notes and additional series thereof, if any, shall be subject to the following particulars:

(a) Series 2026 Notes shall be dated and bear interest either from the original date of delivery thereof or in such manner as shall be determined by the Authorized Officer; shall be payable upon the stated maturity thereof at the interest rate or rates determined by the Authorized Officer in the manner prescribed by Sections 8.02(c) or 8.02(d) below on the basis determined by an Authorized Officer; and shall mature on such date, not to exceed one year from the date of delivery thereof. Series 2026 Notes may be issued as draw-down obligations, in which event interest shall accrue and be payable thereon based on the dates of and principal amounts advanced.

(b) Series 2026 Notes shall be numbered from R-1 upwards for each issue and shall be in the denomination of \$1,000 or any integral multiple thereof requested by the purchaser thereof or as may be specified by the Authorized Officer. The Authorized Officer shall determine the paying agent and registrar for any Series 2026 Note, if any, prior to the sale thereof. Series 2026 Notes shall be payable, both as to principal and interest, in legal tender upon maturity.

(c) Series 2026 Notes shall bear such rate or rates of interest as shall at the sale of Series 2026 Note referred to in Section 8.02(d) hereof be determined by the Authorized Officer to be in the best interest of the County; provided, however, that:

(1) the interest rate named shall be expressed as 1/1000 of one percent;

- (2) all other restrictions as may be imposed by the Authorized Officer prior to the sale of the Series 2026 Note that are deemed to be in the best interest of the County shall apply; and
- (3) no rate of interest shall exceed 6% per annum.
- (d) In the discretion of the Authorized Officer, Series 2026 Notes may be sold at a time certain after public notice or through negotiation.
- (e) Series 2026 Notes shall be sold as tax-exempt obligations pursuant to the Code, subject to the tax covenants set forth at Section 9.01 hereof, unless the Authorized Officer determines, upon the advice of Bond Counsel, to issue such Series 2026 Notes as taxable obligations. The Authorized Officer may further designate any Series 2026 Note as a “qualified tax-exempt obligation” pursuant to the Code.
- (f) Series 2026 Notes shall be issued in fully registered form, in form determined by the Authorized Officer, and may include a draw-down structure. Each series of the Series 2026 Notes shall state on their face that they are issued in anticipation of the issuance of the Series 2026 Bonds and are payable, both as to principal and interest, from the proceeds thereof.
- (g) In the event any Series 2026 Note is mutilated, lost, stolen or destroyed, the County may execute a new Series 2026 Note of like date and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Series 2026 Note, such mutilated Series 2026 Note shall first be surrendered to the County or to its designated agent, and in the case of any lost, stolen or destroyed Series 2026 Note, there shall be first furnished to the County or its agent evidence of such loss, theft or destruction satisfactory to the County or its agent, together with indemnity satisfactory to it; provided that, in the case of a holder which is a bank or insurance company, the agreement of such bank or insurance company to indemnify shall be sufficient. In the event any such Series 2026 Note shall have matured, instead of issuing a duplicate Series 2026 Note, the County may pay the same without surrender thereof. The County or its agent may charge the holder of such Series 2026 Note with its reasonable fees and expenses in this connection.
- (h) Any Series 2026 Note issued in fully-registered form shall be transferable only upon the books of registry of the County, which shall be kept for that purpose at the office of the registrar (the “**Note Registrar**”), by the registered owner thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the Note Registrar, duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any Series 2026 Note, the Note Registrar shall issue, subject to the provisions of Paragraph (i) below, in the name of the transferee, a new Series 2026 Note or Series 2026 Notes of the same aggregate principal amount as the unpaid principal amount of the surrendered Series 2026 Note or Series 2026 Notes. Any holder of a Series 2026 Note in fully registered form requesting any transfer shall pay any tax or other governmental charge required to be paid with respect thereto. As to any Series 2026 Note in fully registered form, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal and interest of any Series 2026 Note in fully-registered form shall be made only to or upon the order of the registered holder thereof, or his duly authorized attorney, and the County, the Note Registrar shall not be affected by any notice

to the contrary, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2026 Note to the extent of the sum or sums so paid.

(i) Any Series 2026 Note issued in fully-registered form, upon surrender thereof at the office of the Note Registrar, with a written instrument of transfer satisfactory to the Note Registrar, duly executed by the holder of the Series 2026 Note or his duly authorized attorney, may, at the option of the holder of the Series 2026 Note, and upon payment by such holder of any charges which the County or the Note Registrar may make as provided in Paragraph (j) below, be exchanged for a principal amount of Series 2026 Note in fully-registered form of any other authorized denomination equal to the unpaid principal amount of surrendered Series 2026 Note.

(j) In all cases in which the privilege of exchanging or transferring Series 2026 Note in fully registered form is exercised, the County shall execute and deliver a Series 2026 Note in accordance with the provisions hereof. All Series 2026 Notes in fully-registered form surrendered in any such exchanges or transfers shall forthwith be cancelled by the County. There shall be no charge to the holder of such Series 2026 Note for such exchange or transfer of a Series 2026 Note in fully registered form except that the County and Note Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer.

(k) The Authorized Officer, in his discretion and on advice received, shall determine whether the Series 2026 Note shall be subject to redemption prior to maturity at the option of the County, including applicable redemption dates and prices. In the event that the County shall elect to redeem a Series 2026 Note, it shall give notice to the Note Registrar and paying agent, if any, of such optional redemption. Such notice shall specify the date fixed for redemption.

Section 8.03 Security for Series 2026 Notes.

The County hereby obligates itself to issue the Series 2026 Bonds in an amount and in time sufficient to pay the principal of and interest on any Series 2026 Notes. For the payment of any Series 2026 Notes, there are hereby pledged the proceeds derived from the sale of the Series 2026 Bonds issued pursuant to this 2026 Series Ordinance or if such Series 2026 Bonds are not issued prior to the maturity of any Series 2026 Notes, from the sale, issuance and delivery of renewal or refunding Series 2026 Note. The proceeds of such Series 2026 Bonds, when received by the County, shall be applied first to the payment of principal of and interest on any Series 2026 Notes and shall be paid to or for the account of the holder thereof, prior to the disbursements set forth at paragraphs (1) – (2) of Section 6.01 hereof. The County shall either issue such Series 2026 Bonds and apply the proceeds to the redemption of any Series 2026 Notes or shall provide funds therefor from other sources, including the issuance of renewal or refunding Series 2026 Notes.

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ARTICLE IX

TAX AND DISCLOSURE COVENANTS

Section 9.01 Tax Covenants.

(a) *General Tax Covenant.* The County will comply with all requirements of the Code in order to preserve the tax-exempt status of the Series 2026 Bonds, including without limitation, (i) the requirement to file Form 8038-G, *Information Return for Tax-Exempt Government Obligations*, with the Internal Revenue Service, and (ii) the requirement to rebate certain arbitrage earnings to the United States Government pursuant to Section 148(f) of the Code. In this connection, the County covenants to execute any and all agreements or other documentation as it may be advised by Bond Counsel will enable it to comply with this Section 9.01, including its certification on reasonable grounds that the Series 2026 Bonds are not “arbitrage bonds” within the meaning of Section 148 of the Code.

(b) *Tax Representations.* The County hereby represents and covenants that it will not take any action which will, or fail to take any action which failure will, cause interest on the Series 2026 Bonds to become includable in the gross income of the Holders thereof for federal income tax purposes pursuant to the provisions of the Code and the United States Treasury Regulations (the “**Regulations**”). Without limiting the generality of the foregoing, the County represents and covenants that:

(i) All property financed or refinanced with the proceeds of the Series 2026 Bonds will be owned by the County or another political subdivision of the State so long as the Series 2026 Bonds are Outstanding in accordance with the rules governing the ownership of property for federal income tax purposes.

(ii) The County shall not use, and will not permit any party to use, the proceeds of the Series 2026 Bonds, or any bonds refunded thereby, in any manner that would result in (i) 10% or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any Nongovernmental Person, (ii) 5% or more of such proceeds being considered as having been used directly or indirectly in any trade or business of any Nongovernmental Person that is either “unrelated” or “disproportionate” to the governmental use of the financed facility by the County or by any other Governmental Unit (as the terms “unrelated” and “disproportionate” are defined for purposes of Section 141(b)(3) of the Code) or (iii) 5% or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any Nongovernmental Person.

(iii) The County is not a party to, and will not enter into or permit any other party to enter into, any contract with any person involving the management of any facility financed or refinanced with the proceeds of the Series 2026 Bonds or by notes paid by the Series 2026 Bonds that does not conform to the guidelines set forth in Revenue Procedure 2017-13, or a successor revenue procedure, Code provision or Regulations.

(iv) The County will not sell, or permit any other party to sell, any property financed or refinanced with the Series 2026 Bonds to any person unless it obtains an opinion of nationally recognized bond counsel that such sale will not affect the tax-exempt status of the Series 2026 Bonds.

(v) The Series 2026 Bonds will not be “federally guaranteed” within the meaning of Section 149(b) of the Code. The County shall not enter into, or permit any other party to enter into, any leases or sales or service contract with any federal government agency with respect to any facility financed or refinanced with the proceeds of the Series 2026 Bonds and will not enter into any such leases or contracts unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax-exempt status of the Series 2026 Bonds.

(c) *Arbitrage Bonds, Rebate.* The County covenants that no use of the proceeds of the sale of the Series 2026 Bonds shall be made which, if such use had been reasonably expected on the date of issue of such Series 2026 Bonds, would have caused the Series 2026 Bonds to be “arbitrage bonds” as defined in the Code, and to that end the County shall:

(i) comply with the applicable regulations of the Treasury Department previously promulgated under Section 103 of the Internal Revenue Code of 1954, as amended, and any regulations promulgated under the Code, so long as the Series 2026 Bonds are Outstanding;

(ii) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the Code and Regulations relating to required rebate of certain amounts to the United States Government;

(iii) make such reports of such information at the time and places required by the Code and Regulations; and

(iv) take such other action as may be required to assure that the tax-exempt status of the Series 2026 Bonds will not be impaired.

(d) *Tax Certificate.* An Authorized Officer is hereby authorized and directed to execute, at or prior to delivery of any Series of Bonds, a certificate or certificates specifying actions taken or to be taken by the County, and the reasonable expectations of such officials, with respect to such Series of Bonds, the proceeds thereof, or the County.

(e) *Bank Qualified.* A Series of Series 2026 Bonds may be designated by the Authorized Officer pursuant to Article IV hereof as “qualified tax-exempt obligations” in accordance with Section 265(b)(3)(B) of the Code.

(f) *Reimbursement Declaration.* The County hereby declares its intention to reimburse itself for a portion of the costs of the 2026 Project with the proceeds of Series 2026 Bonds. To that end, the County Council determines and declares as follows:

(i) no funds from any sources other than the Series 2026 Bonds are or are reasonably expected to be, reserved, allocated on a long-term basis or otherwise set aside

by the County pursuant to the budget or financial policies of the County for the financing of the portion of the costs of acquisition, construction, and equipping of the 2026 Project to be funded with the Series 2026 Bonds;

(ii) The County reasonably expects that all or a portion of the expenditures incurred for the 2026 Project and the issuance of the Series 2026 Bonds will be paid prior to the issuance of the Series 2026 Bonds;

(iii) The County intends and reasonably expects to reimburse itself for all such expenditures paid by it with respect to the 2026 Project prior to the issuance of the Series 2026 Bonds from the proceeds of the Series 2026 Bonds, and such intention is consistent with the budgetary and financial circumstances of the County;

(iv) all of the costs to be paid or reimbursed from the proceeds of the Series 2026 Bonds will be for costs incurred in connection with the issuance of the Series 2026 Bonds, or will, at the time of payment thereof, be properly chargeable to the capital account of the 2026 Project (or would be so chargeable with a proper election) under general federal income tax principles; and

(v) this 2026 Series Ordinance shall constitute a declaration of official intent under United States Department of the Treasury Regulation Section 1.150-2.

(g) *Taxable Bonds.* Prior to the issuance of a Series of Series 2026 Bonds, the Authorized Officer may, pursuant to Article IV hereof, in consultation with Bond Counsel, designate such Series of Bonds as taxable under the Code. The election to issue a Series of Taxable Bonds shall be clearly indicated by including the phrase “Taxable Series,” or words to that effect, in the series designation of such Taxable Bonds. The above provisions of this Section 9.01 shall not be applicable to any Series of Taxable Bonds.

(h) The Trustee shall have no responsibility to monitor the County’s compliance with the covenants set forth in this Section 9.01.

Section 9.02 Disclosure Covenants.

(a) The County hereby covenants and agrees that it will comply with and carry out all of the provisions of any continuing disclosure certificate or agreement, executed by an Authorized Officer and dated the date of delivery of the Series 2026 Bonds, which will meet the requirements, as applicable, of Section 11-1-85 of the South Carolina Code, which may require, among other things, that the County file with a central repository when requested:

- (1) a copy of its annual independent audit within 30 days of its receipt and acceptance, and
- (2) event-specific information, within 30 days of an event adversely affecting more than five percent of its revenues or five percent of its tax base.

The only remedy for failure by the County to comply with the covenants in this Section 9.02 shall be an action for specific performance of this covenant. The County specifically reserves the right to amend this covenant to reflect any change in Section 11-1-85 of the South Carolina Code, without the consent of any Bondholder.

(b) The County may covenant to provide information to a Direct Placement Purchaser on a periodic basis or upon the occurrence of certain events, as may be mutually agreed upon by and between the Authorized Officer and such purchaser.

(c) The Trustee shall have no responsibility to monitor the County's compliance with the covenants set forth in this Section 9.02.

* * *

ARTICLE X

MISCELLANEOUS

Section 10.01 Severability.

If any one or more of the covenants or agreements provided in this 2026 Series Ordinance on the part of the County or any fiduciary to be performed should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this 2026 Series Ordinance.

Section 10.02 Further Action.

The County Council authorizes any Authorized Officer to execute and sign all other documents, certificates, and agreements necessary or convenient to effect the purchase and sale of the Series 2026 Bonds.

Section 10.03 Professional Services.

The County Council hereby authorizes, approves, or ratifies, as applicable, the engagement of First Tryon Advisors to act as Financial Advisor (the “*Financial Advisor*”) and Pope Flynn, LLC to act as Bond Counsel and Disclosure Counsel (if applicable) in connection with the issuance of the Series 2026 Bonds and authorizes (or ratifies, as applicable) an Authorized Officer to engage the services of such other professionals and institutions of a type and in a manner customary in connection with the issuance of municipal bonds, including, but not limited to, contractual arrangements with other professionals, rating agencies, verification agents, financial and trust institutions, printers and the suppliers of other goods and services in connection with the sale, execution and delivery of the Series 2026 Bonds, as is necessary and desirable.

Section 10.04 Table of Contents and Section Headings Not Controlling.

The Table of Contents and the headings of the several articles and sections of this 2026 Series Ordinance have been prepared for convenience of reference only and shall not control, affect the meaning of, or be taken as an interpretation of any provision of this 2026 Series Ordinance.

Section 10.05 2026 Series Ordinance to Constitute Contract.

In consideration of the purchase and acceptance of Series 2026 Bonds by those who shall purchase and hold the same from time to time, the provisions of this 2026 Series Ordinance shall be deemed to be and shall constitute a contract between the County and the Holder from time to time of the Series 2026 Bonds, and such provisions are covenants and agreements with such Holder which the County hereby determines to be necessary and desirable for the security and payment thereof. The pledge hereof and the provisions, covenants and agreements herein set forth to be performed on behalf of the County shall be for the benefit, protection, and security of the Holder of the Series 2026 Bonds.

Section 10.06 Series 2026 Bonds Issued as Multiple Series.

In the event Series 2026 Bonds are sold in more than one Series, separate funds and accounts shall be created and maintained for each Series of Series 2026 Bonds and appropriate numeric or alphanumeric designations shall be established so as to appropriately account for such funds and accounts. Notwithstanding anything in the 2026 Series Ordinance to the contrary, in the event that Series 2026 Bonds are sold in more than one Series, all references in this 2026 Series Ordinance to Series 2026 Bonds shall, as the context may require, be read as referring to the applicable Series of Series 2026 Bonds.

Section 10.07 Ratification of Prior Action.

All prior actions of Authorized Officers in furtherance of the purposes of this 2026 Series Ordinance (including, but not limited to, any negotiated sale of Series 2026 Bonds or any solicitation of bids under the provisions of Article VII hereof) are hereby approved, ratified, and confirmed.

* * *

ORDAINED in meeting duly assembled this 17th day of February 2026.

ATTEST:

ANDERSON COUNTY COUNCIL

Rusty Burns
Anderson County Administrator

Tommy Dunn, Chairman

Renee Watts
Anderson County Clerk to Council

Approved as to form:

Leon C. Harmon
Anderson County Attorney

First Reading: January 20, 2026
Second Reading: February 3, 2026
Public Hearing: February 17, 2026
Third Reading: February 17, 2026

**EXHIBIT A
FORM OF BOND**

ANDERSON COUNTY, SOUTH CAROLINA
REVENUE BOND, SERIES 2026

No. R-1

Interest Rate Maturity Date Original Issue Date

Registered Holder:

Principal Amount: _____ (\$ _____)

ANDERSON COUNTY, SOUTH CAROLINA (the “*County*”), acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Holder named above, or registered assigns, the Principal Amount stated above, on the Maturity Date set forth above, unless this bond be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender of this bond at the designated Corporate Trust Office of U.S. Bank Trust Company, National Association (the “*Paying Agent*”), and to pay interest on such principal sum at the Interest Rate set forth above (calculated on the basis of a 360-day year of twelve 30-day months), until the obligation of the County with respect to the payment of such principal sum shall be discharged.

Principal of and interest on this bond are payable at the times and in the amounts shown on Schedule I hereto.

Interest hereon is payable by check or draft mailed at the times provided herein from the Corporate Trust Office of the Paying Agent to the person in whose name this bond is registered on the Record Date at the address shown on the registration books kept by U.S. Bank Trust Company, National Association (the “*Registrar*”). The principal of, redemption premium, if any, and interest on this bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This bond is a Series 2026 Bond issued pursuant to and in accordance with the Constitution and statutes of the State of South Carolina (the “*State*”) including particularly Title 6, Chapter 21 of the Code of Laws of South Carolina 1976, as amended (the “*South Carolina Code*”), and by an ordinance entitled, “A MASTER BOND ORDINANCE OF ANDERSON COUNTY, SOUTH CAROLINA PROVIDING FOR THE ISSUANCE AND SALE OF LIMITED OBLIGATION BONDS TO DEFRAY THE COSTS OF TOURISM-RELATED PROJECTS SECURED BY CERTAIN COUNTY FEES; DEFINING THE TERMS AND SECURITY FOR SUCH BONDS; AND OTHER MATTERS RELATING THERETO,” enacted by the County Council of the Anderson County (the “*County Council*”), the governing body of the County, on February 17,

**EXHIBIT A
FORM OF BOND**

2026 (the “**Bond Ordinance**”), and a Series Ordinance entitled, “A SERIES ORDINANCE OF ANDERSON COUNTY, SOUTH CAROLINA PROVIDING FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO FINANCE TOURISM-RELATED PROJECTS IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$12,700,000; AND PROVIDING FOR OTHER MATTERS RELATING THERETO” (the “**2026 Series Ordinance**”) duly enacted by the County Council on February 17, 2026 (the Bond Ordinance and the 2026 Series Ordinance are hereinafter together referred to as the “**Ordinances**”).

Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinances. Certified copies of the Ordinances are on file in the office of the Trustee and in the offices of the County.

For the payment of the principal of and interest on this bond issued pursuant to the Bond Ordinance, there are hereby irrevocably pledged the Pledged Revenues. Such pledge securing this bond shall have priority over all other pledges except those made to secure any Bonds (as defined hereinbelow) as may be currently outstanding or issued from time to time in the future.

THIS BOND SHALL NOT IN ANY EVENT CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY PROVISION, LIMITATION OR RESTRICTION OF THE CONSTITUTION OR STATUTES OF THE STATE, OTHER THAN THOSE PROVISIONS AUTHORIZING INDEBTEDNESS PAYABLE SOLELY FROM A REVENUE-PRODUCING PROJECT NOT INVOLVING REVENUES FROM ANY TAX OR LICENSE; AND THE FAITH, CREDIT AND TAXING POWER OF THE COUNTY ARE EXPRESSLY NOT PLEDGED THEREFOR. THE COUNTY IS NOT OBLIGATED TO PAY THIS BOND, OR THE INTEREST HEREON, SAVE AND EXCEPT FROM THE PLEDGED REVENUES.

The Bond Ordinance authorizes the issuance of additional bonds on a parity with the Series 2026 Bonds and any then outstanding parity bonds which, when issued in accordance with the provisions of the Bond Ordinance, will rank equally and be on a parity herewith and therewith (“**Additional Bonds**” and together with this bond and any parity bonds, collectively the “**Bonds**”).

The County has made certain covenants under the Bond Ordinance, including (a) to pay annual debt service on Bonds out of Pledged Revenues; (b) to not pledge, mortgage, or otherwise encumber the Pledged Revenues except in the manner authorized by the Bond Ordinance; (c) to maintain proper books and records of the County, including such books and records related to the Pledged Revenues; (d) to not repeal the Accommodations Fee Ordinance or otherwise reduce the percentage of the Accommodations Fee below three percent (3%); (e) to perform the duties and obligations imposed and assumed by it in accordance with the terms and provisions of the Park Agreements and take all reasonable action necessary to enforce the Park Agreements in accordance with its terms and shall not terminate the Park Agreements, materially reduce the properties therein, or reduce the percentage of Park Fees comprising the Designated Park Fees, unless it shall first provide to the Trustee a certificate executed by an Authorized Officer that, after consideration of the reduction in the Pledged Revenues resulting from the termination of any specific Park Agreement or reduction of any property therein, the amount of Pledged Revenues for the prior consecutive 12 months or Fiscal Year, in his discretion, would not be less than 120% of the

**EXHIBIT A
FORM OF BOND**

maximum Annual Principal and Interest Requirements on all Bonds Outstanding; (f) to not issue any bonds, notes, certificates or other obligations or evidences of indebtedness other than the Bonds or other obligations authorized or permitted under the Bond Ordinance to be secured by a pledge of the Pledged Revenues or funds created thereunder; (g) to follow certain federal tax regulations and requirements as provided under the terms of the Bond Ordinance; (h) to consider appropriations of lawfully available funds; and (i) to determine to apply certain amounts derived from legislative appropriation as provided under the terms of the Bond Ordinance.

The Bond Ordinance provides that, in addition to other remedies, upon a default in payment of principal of or interest on any Bond, the Trustee shall, upon the written request of the Holders of not less than a majority in aggregate principal amount of Bonds Outstanding, declare all Bonds Outstanding immediately due and payable.

This bond is transferable, as provided in the Bond Ordinance, only upon the registration books of the County kept for that purpose and maintained by the Registrar, by the holder hereof in person or by his duly authorized attorney, upon (i) surrender of this bond and an assignment with a written instrument of transfer satisfactory to the Trustee or any other Registrar, as the case may be, duly executed by the Holder hereof or his duly authorized attorney and (ii) payment of the charges, if any, prescribed in the Ordinances. Thereupon a new Series 2026 Bond of the then outstanding principal amount, then current maturity schedule and interest rate shall be issued to the transferee in exchange therefor as provided in the Bond Ordinance. The County, the Trustee, and the Registrar may deem and treat the person in whose name this bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or Redemption Price hereof and interest due hereon and for all other purposes.

For every exchange or transfer of the Series 2026 Bonds, the County or the Trustee or Registrar, as the case may be, may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

[Insert Redemption Feature]

This bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

It is hereby certified and recited that all conditions, acts, and things required by the Constitution and statutes of the State to exist, be performed or happen precedent to or in the issuance of this bond, exist, have been performed and have happened, that the amount of this bond, together with all other indebtedness of the County, does not exceed any limit prescribed by such Constitution or statutes.

**EXHIBIT A
FORM OF BOND**

IN WITNESS WHEREOF, ANDERSON COUNTY, SOUTH CAROLINA, has caused this bond to be signed by the signature of the Chairman of County Council, its corporate seal to be reproduced hereon and the same to be attested by the signature of the Clerk to County Council.

ANDERSON COUNTY,
SOUTH CAROLINA

(SEAL)

Chairman

Attest:

Clerk to County Council

**EXHIBIT A
FORM OF BOND**

CERTIFICATE OF AUTHENTICATION

This bond is a Series 2026 Bond as described in the within mentioned Ordinances.

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION, as Registrar

By: _____
Authorized Officer

Date: _____, 2026

Schedule I

Principal and Interest Payment Schedule

ORDINANCE NO. 2026-008

AN ORDINANCE TO LEASE REAL PROPERTY TO LOVE WELL MINISTRIES TO OPERATE AN OPIOID TREATMENT FACILITY; AND OTHER MATTERS RELATED THERETO.

WHEREAS, the Anderson County Code requires a public hearing prior to the lease of real property; and

WHEREAS, Anderson County is the current owner of a parcel of land located at 2335 Snow Road in Anderson County and identified by tax map number 174-00-02-018; and

WHEREAS, Love Well Ministries, Inc., is a South Carolina nonprofit corporation registered with the State of South Carolina; and

WHEREAS, the property referenced will be used by Love Well Ministries for the purpose of operating an opioid treatment facility.

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

1. Anderson County desires to lease the following real property to Love Well Ministries for a nominal fee:

See Exhibit A.

2. The Anderson County Administrator is hereby authorized and directed to execute any documents necessary to effectuate the lease of this parcel of real property as described herein and in a form substantially similar to, and not materially different from, the lease agreement attached hereto as Exhibit A.

3. All other terms, provisions, sections, and contents of the Code of Ordinances, Anderson County, South Carolina not specifically 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. This Ordinance shall take effect from and after the public hearing and the third reading in accordance with the Code of Ordinances, Anderson County, South Carolina.

ORDAINED in meeting duly assembled this _____ day of _____, 2026.

[SIGNATURE PAGE TO FOLLOW]

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, District #5, Chairman

Renee Watts
Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

First Reading: _____

Second Reading: _____

Third Reading: _____

Public Hearing: _____

up to 2 five-year intervals. However, either party may give written notice of their intent to not automatically renew. Such notice of intent to not automatically renew must be given no later than 6 months prior to the end of the existing term.

Section 4. Authority. Lessor and Lessee each represent and warrant they have full power and authority to execute and enter into this Ground Lease for the full term herein granted under the terms and conditions provided and that this Ground Lease is a valid and binding obligation of each of them enforceable in accordance with its terms.

Section 5. Relationship of the Parties. Under no circumstances shall Lessor and Lessee be deemed or held to be partners, joint ventures, employees, or agents of the other in or concerning the Premises or the operation of an opioid abatement program thereon.

Section 7. Condition of Premises and Disclaimer of Liability. The Premises is leased in a “WHERE IS, AS IS” condition. Lessor makes no representation or warranty, express or implied, as to the condition of the Premises and expressly disclaims the same.

LESSOR HEREBY DISCLAIMS, AND LESSEE HEREBY RELEASES AND HOLDS HARMLESS LESSOR AS WELL AS ITS COUNCIL MEMBERS, OFFICERS, EMPLOYEES AGENTS, SUCCESSORS AND ASSIGNS FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY AND NEGLIGENCE) FOR ANY LOSS, DAMAGE OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY LESSEE, ITS EMPLOYEES, AGENTS, CONTRACTORS, LICENSEES OR INVITEES ARISING OUT OF, OR RELATED IN ANY MANNER TO, THIS GROUND LEASE OR THE USE OF THE PREMISES. NOTWITHSTANDING THE FOREGOING, LESSOR SHALL BE LIABLE FOR LOSSES, DAMAGES OR INJURIES PROXIMATELY CAUSED BY THE GROSS NEGLIGENCE OR INTENTIONAL ACTS OF LESSOR OR ITS EMPLOYEES OR AGENTS. THE PARTIES DO, HOWEVER, HEREBY AGREE THAT UNDER NO CIRCUMSTANCES SHALL LESSOR BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES, WHETHER IN CONTRACT OR TORT.

Section 8. Insurance.

A. **Comprehensive General Liability.** Lessee shall maintain at all times during the term of this Ground Lease comprehensive general liability insurance coverage, for terms and conditions deemed appropriate by the Lessee to protect its interests, with a minimum \$1,000,000 per occurrence limit and minimum \$2,000,000 in aggregate. Comprehensive Liability coverage for Lessee’s subcontractors, if any, shall be obtained by Lessee with a \$1,000,000 policy limit. Additionally, Lessee shall maintain at all times during the term of this Ground Lease an umbrella policy in the amount of \$1,000,000. Lessee to name Anderson County as Additional Insured on any policy protecting the premises or opioid recovery operations.

B. **Building Insurance.** Lessor will maintain insurance on the main dwelling, and any other structures if Lessor elects, at the Premises for full replacement value. Lessee shall reimburse Lessor for the costs of such policies. Lessee shall have the right to review all documents related to such insurance prior to reimbursement.

C. **Professional Insurance.** Any professional or licensed therapist working on the Premises for the purpose of conducting alcohol or drug treatment should maintain professional insurance with a minimum \$1,000,000 per occurrence limit.

D. **Comprehensive Automobile Liability.** Lessee shall maintain at all times during the term of this Ground Lease comprehensive automobile liability coverage for any automobiles used by Lessee. Coverage shall be provided with a minimum limit of \$1,000,000 combined single limit and shall cover all owned, non-owned, and hired vehicles.

E. **Workers’ Compensation Liability.** If applicable, Lessee shall maintain in force during the term of

this Lease Agreement, South Carolina statutory workers' compensation insurance coverage.

F. Builders Risk. In connection with any construction, renovations, alterations, or other improvements to all or any portion of the Building or the Premises, Lessee shall maintain in full force and effect a builders completed value risk policy of insurance (a "Builders Risk Policy") in a nonreporting form insuring against all special form risk of physical loss or damage to the Property, including, but not limited to, risk of loss from fire, windstorm, and other hazards, collapse, transit coverage, vandalism, malicious mischief, theft, earthquake, and sinkholes. The Builders Risk Policy shall include endorsements providing coverage for building materials and supplies and temporary premises. The Builders Risk Policy shall be in the amount of the full replacement value of the Property. Lessor shall be named as an additional insured under all Builders Risk Policies. The Builders Risk Policy shall include an endorsement permitting initial occupancy.

G. Policies. All Liability Insurance policies required under this agreement shall include Anderson County as additional insured under such policies of insurance. If any policy or aggregate limit is reached during the term of this agreement, then it is understood that Lessee will obtain additional policies of insurance to meet the requirements of this Section 8.

H. Certificate of Coverage. Lessee shall furnish to Lessor, within 30 days after execution of this Ground Lease, a certificate or certificates evidencing such insurance coverage with companies doing business in South Carolina and acceptable to Lessor covering:

- i. The coverage and policy limits contained herein, including Anderson County as additionally insured.
- ii. The location and the operation to which the insurance applies.
- iii. The expiration date of the policy(ies).
- iv. The name and address of the party to whom the certificates should be issued:
Anderson County
PO Box 8002
Anderson, SC 29622
Attention: County Administrator

If such coverage is canceled, reduced, or materially changed, Lessee shall within 15 days of such event notify the Lessor of such cancellation, reduction, or material change of coverage and provide a certificate showing that the required insurance has been reinstated or is being provided through another insurance company or companies.

Prior to 10 days before the expiration of any such certificate, Lessee shall deliver to the Lessor a certificate renewing or extending the terms for a period of at least 1 year, or a replacement certificate acceptable to Lessor evidencing the required insurance coverage.

I. Claims Process. Any claims against any insurance policy occurring at the Premises shall require Lessee to immediately notify Lessor. Any claim against Lessor's building insurance policy will require Lessee to reimburse Lessor for the full amount of any deductible. Lessee will not be required to reimburse Lessor for a deductible if such claim is the result of Lessor or Lessor's agent. Lessor will handle any claim and claim processing for any claim against Lessor's insurance policy.

J. Waiver of Subrogation by Lessee. Tenant waives any right of recovery against Landlord for any loss or damage to Tenant's property or the leased premises caused by fire or other insured casualty, regardless of cause, to the extent such loss is covered by Tenant's insurance. Tenant's insurance policy shall contain a waiver of subrogation in favor of Landlord.

Section 9. Environmental. Lessee and/or its employees, agents, contractors, invitees, licensees, or permittees shall not deposit or cause to be deposited Hazardous Material in or upon the Premises and shall operate the Premises in full compliance with all laws, orders, regulations, rules, ordinances, and requirements of the federal, state, county, and local governments, including all Environmental Laws.

“Hazardous Material” means any substance, chemical, compound, product, solid, gas, liquid, waste, byproduct, pollutant, contaminant, or material which is hazardous or toxic. “Environmental Laws” means all federal, state, and local laws, statutes, ordinances, and regulations, now or hereafter in effect, and applicable to the Premises relating to the regulation and protection of human health and safety and/or the environment and natural resources.

Section 10. Improvements. Lessee may erect or modify any permanent structure on or upon the Premises. Lessee shall make any improvements, repairs, or maintenance necessary to prevent any and all damage to any building or structure upon the Premises. Lessee may install any fixture to or upon the Premises. If Lessee removes any fixture prior to the expiration or termination of this Ground Lease, then Lessee shall make any reasonable repairs to leave the Premises in as good condition as before the installation or removal of such fixture.

Section 11. Default by Lessee. If Lessee shall fail to keep or shall violate a condition or agreement in this Ground Lease, including the attached memorandum of agreement, on the part of Lessee to be performed and if either such failure or violation shall have continued for a period of 60 days after Lessee shall have received written notice by certified or registered mail from Lessor to cure such violation or failure, or for such additional period of time as may be reasonably necessary provided Lessee diligently undertakes to cure such default, then, in such event, Lessor shall have the right at its option, in addition to and not in lieu of all of the rights to which it may be entitled to hereunder and by law, to terminate this Ground Lease and re-enter and repossess the Premises.

Section 12. Default by Lessor. If Lessor shall fail to keep or shall violate a condition or agreement in this Ground Lease, including the attached memorandum of agreement, on the part of Lessor to be performed and if either such failure or violation shall have continued for a period of 60 days after Lessor shall have received written notice by certified or registered mail from Lessee to cure such violation or failure, or for such additional period of time as may be reasonably necessary provided Lessor diligently undertakes to cure such default, then, in such event Lessee may in addition to and not in lieu of all of the rights to which it may be entitled hereunder and by law, terminate this Ground Lease and turn over possession of the Premises to Lessor.

Section 13. Termination. Lessee agrees upon the expiration of the original term as specified in Section 3, or upon the earlier termination of the Ground Lease if both parties agree in writing, to quit and surrender the Premises and that all title and interest in the Premises shall vest in Lessor free and clear of the encumbrances of this Ground Lease and that the improvements on the Premises will be and become the property of Lessor.

Section 14. Notice. Any notice to be given by any party to the other pursuant to the provisions of this Ground Lease shall be given by registered or certified mail, addressed to the party for whom it is intended at the address stated below, or such other address as may have been designated in writing:

To Lessee at: Love Well Ministries, Inc.
775 Durham Brown Road
Seneca, SC 29678
Attention: Kimberly D. Matkins

To Lessor at: Anderson County
P.O. Box 8002
Anderson, South Carolina 29622
Attention: County Administrator

Section 15. Successors and Assigns. The covenants, conditions, and agreements contained in this Ground Lease shall bind and inure to the benefit of Lessor and Lessee and their respective successors and assigns; provided, however, that Lessee shall not assign, sublease, or otherwise transfer its interests herein without prior written consent of Lessor. If Lessee ceases to exist or operate as a non-profit corporation, this

Ground Lease will terminate and control of the Premises will automatically revert back to Lessor.

Section 16. Miscellaneous. This Ground Lease shall be subject to the following:

(a) There are no oral or verbal understandings among Lessor and Lessee concerning the subject matter of this Ground Lease. Any amendment, modification, or supplement to this Ground Lease must be in writing and signed by all parties.

(b) No waiver of any condition or covenant in this Ground Lease, or of any breach thereof, shall be taken to constitute a waiver of any subsequent breach.

(c) Whenever Lessee requests any consent, permission, or approval which may be required or desired by Lessee pursuant to the provisions hereof, Lessor shall not be arbitrary or capricious in withholding or postponing the granting of such consent, permission, or approval.

(d) All covenants, promises, conditions, and obligations herein contained or implied by law are covenants running with the land and shall attach and bind and inure to the benefit of Lessor and Lessee and their respective legal representatives, successors, and assigns.

(e) If any portion of this Ground Lease is found to be unenforceable, it is the intention of the parties the unenforceable portions of the agreement shall be severed and that the remaining portions of this Ground Lease will be enforced.

Section 17. Applicable Law. This Ground Lease shall be governed by and construed in accordance with the laws of the State of South Carolina without regard to conflict of laws principles.

Section 18. Non-Appropriation. This Ground Lease is at all times subject to the appropriation of funds by the Anderson County Council. In the event of non-appropriation, this Ground Lease shall immediately terminate without further obligation or liability on the part of Lessor.

Section 19. Captions. The captions or headings herein are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Ground Lease.

Section 20. Non-exclusive Lease. This Ground Lease is not an exclusive lease. Lessor may enter into the property at any time if Lessor has reason to believe any portion of the Ground Lease or incorporated memorandum of understanding are being violated or are in breach.

[TWO SIGNATURE PAGES AND ONE ATTACHMENT FOLLOW]
[REMAINDER OF PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the undersigned have set their hands as of the date first above written.

LESSOR:

ANDERSON COUNTY, SOUTH CAROLINA

By: _____

Anderson County Administrator

[SEAL]

Attest:

By: _____

Clerk, County Council

ADDITIONAL WITNESSES

STATE OF SOUTH CAROLINA)

)

ACKNOWLEDGMENT

COUNTY OF ANDERSON)

The forgoing instrument was acknowledged before me by **Rusty Burns, as Administrator for Anderson County, South Carolina** and the other witness above-named this ____ day of **February, 2026**, and the subscribing witness swore to me that he is not a party to or beneficiary of this transaction.

Signature of Notary Public: _____

Name of NOTARY PUBLIC: _____

Notary Public for the State of _____

My Commission Expires: ___ / ___ / ___

Notary Stamp/Seal:

[ANDERSON COUNTY SIGNATURE PAGE]

STATE OF SOUTH CAROLINA
COUNTY OF ANDERSON

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is entered into this the 4th day of November, 2025, by and between the **LOVE WELL MINISTRIES, INC.**, a nonprofit corporation organized under the laws of the State of South Carolina (“the Nonprofit”) and **ANDERSON COUNTY**, a political subdivision of the State of South Carolina, (“the County”), collectively referred to herein as (“Parties”).

WHEREAS, the Nonprofit has a place of business at 212 East Shockley Ferry, Anderson, SC 29624; and

WHEREAS, the Nonprofit desires to operate an opioid abatement program on property owned by Anderson County; and

WHEREAS, Anderson County is a political subdivision of the State of South Carolina; and

WHEREAS, Anderson County desires to have the Nonprofit operate an opioid abatement program on property owned by Anderson County; and

WHEREAS, Anderson County has obtained, title to real property located at 2335 Snow Road, Anderson, SC 29621, (hereinafter “Property”) for the purpose of operating an opioid abatement program;

WHEREAS, Anderson County desires for the opioid abatement program to operate at the facility for at least 15 years; and

WHEREAS, Anderson County desires for the opioid abatement program to provide certain specified services referenced below for at least 15 years.

NOW, THEREFORE, the Parties agree to the following:

The Nonprofit agrees to:

1. Offer and provide multi-week residential care and treatment for up to 20 females at the Property;
2. Provide comprehensive wrap-around services to individuals with opioid use disorder and any co-occurring substance use disorders or mental health conditions, including housing, transportation, education, job placement, job training, or childcare;
3. Provide comprehensive wrap-around services that are evidence-based and trauma-informed;

4. Provide such services based on clinical excellence, peer connection, personal responsibility, and spiritual renewal to allow residents to heal, grow, and prepare for independent living;
5. Provide licensed behavior health services with faith-based support and life-skills development, which includes a personalized treatment plan tailored to clinical needs, personal goals, and spiritual preferences;
6. Provide such services through licensed counselors, psychiatric mental health nurse practitioners, trained recovery professionals, or peer mentors;
7. Conduct comprehensive intake and assessment, including a full biopsychosocial assessment within 24 hours of receiving a resident. A licensed provider should conduct a mental health screening using DSM-5-TR criteria, with ASAM Criteria to be used to determine the level of care. Within seven days, an individualized treatment plan should be developed, and residents oriented to the program structure, expectations, and confidentiality standards;
8. Provide evidence-based clinical treatment, which includes residents meeting weekly with a licensed therapist for individual counseling. Group therapy should occur 4-5 times per week and include topics of relapse prevention, emotional regulation, trauma recovery, healthy relationships, and self-esteem. Provide proven modalities such as cognitive behavioral therapy, acceptance and commitment therapy, motivational interviewing, and trauma-informed practices;
9. Provide residents with dual diagnoses integrated care from a psychiatric mental health nurse practitioner who provides psychiatric evaluations, medication management, and collaboration with the treatment team. Mental health and substance use disorders should be treated simultaneously to improve long-term outcomes;
10. Provide residents with faith-based recovery programs. While the faith-based recovery approach has seen great success, it will be a part of the curriculum but not be required. Residents should be invited to engage in daily devotionals, journaling, weekly Bible study, pastoral mentorship, and church attendance. The offering of hope, identity restoration, and spiritual strength should be used to assist recovery;
11. Provide five 12-step meetings weekly, weekly peer-led groups and step workshops, and encourage residents to obtain a sponsor. As residents grow in their recovery, they should be given leadership and service opportunities to build accountability and confidence;
12. Promote health through physical wellness, which includes daily movement, nutritious meals, and health education. Provide referrals to primary care, dental, vision, and

OB/GYN services as needed. Provide nutrition classes and sleep hygiene to promote wellness;

13. Provide weekly life skills classes to help residents prepare for successful reentry. Topics should include budgeting, job readiness, time management, cooking, cleaning, and self-care. By month three, provide reentry planning, employment placement, housing support, legal advocacy, and family reunification services;

14. Provide a complete personalized relapse prevention plan, which identifies triggers, coping strategies, and support systems. Provide, with the resident's consent, discharge summaries and aftercare plan with continuing care provides. Outcomes should be tracked at three- and six-month post discharge intervals;

15. Provide weekly one-on-one case management sessions with the program coordinator to address legal obligations, transportation issues, DSS involvement, employment planning, and other individualized goals. Provide monthly multidisciplinary case reviews to ensure integrated and holistic care. Ensure services and HIPPA complaint and properly documented;

16. Make any modifications to the Property to accommodate the comprehensive wrap-around services. This includes management and supervision of any necessary construction or alterations to the land or building in any way, which includes, but is not limited to, installation of a sprinkler system and occupancy improvements;

17. Provide shared living space and sleeping quarters, clinical counseling rooms for private and group therapy sessions, communal areas for multiple uses, administrative office space for staff and recordkeeping, kitchen space, dining space, laundry facilities, outdoor recreation space, and wellness activities; and

18. Maintain the Property for the above referenced uses. Additionally, to maintain the property to keep it in working, neat order and to ensure the Property is not maintained in a way that significantly reduces the property value.

Anderson County agrees to:

1. Allow the Nonprofit exclusive use of the Property, for the purpose of administering an opioid abatement program.
2. Enter into a lease agreement, upon the approval of Anderson County Council, for the lease of the property for 15 years.

This agreement will be valid from the date of signing by both parties until expiration on December 31, 2040. This agreement can be terminated for convenience by 6-month notice from the Parties by delivering a notice of termination letter to:

For Anderson County:
P.O. Box 8002
Anderson, SC 29622

For the Nonprofit:
775 Durham Brown Road
Seneca, SC 29678


Notice of termination will be deemed effective and the 6 months will begin on the day the notice of termination letter is delivered.

If any portion of this MOU is determined to be unenforceable, then Parties agree the remaining portions of the MOU shall still be enforceable.


The Nonprofit agrees to indemnify and hold harmless Anderson County for any injuries, death, or damages that occur at the Property from any resident, Nonprofit employee, or guest. This excludes any injuries, death, or damages cause by an employee or guest of Anderson County.

WITNESSETH:

Anderson County, a political subdivision of the State of South Carolina

By: 
Its: Administrator
On: 11-4-2025

Love Well Ministries, Inc., a South Carolina nonprofit corporation

By: 
Its: Executive Director
On: 11-4-2025

ORDINANCE NO. 2026-009

AN ORDINANCE TO AMEND THE CODE OF ORDINANCES, ANDERSON COUNTY, SOUTH CAROLINA, BY THE ADDITIONS OF SECTION 24-152 RELATING TO THE DEVELOPMENT OF TOWNHOME AND APARTMENT DWELLING UNITS; AND OTHER MATTERS RELATED THERETO.

WHEREAS, land use and development standards is an area of concern within the unincorporated areas of Anderson County;

WHEREAS, it is necessary and appropriate to amend the land use and development standards from time to time;

WHEREAS, the Anderson County Council has authority pursuant to S.C. Code of Laws §4-9-30(9) to provide for land use and promulgate regulations related thereto; and

WHEREAS, the Anderson County Council desires to amend Chapter 24 of the Code of Ordinances, Anderson County, South Carolina, by adding Section 24-152 titled Townhome and Apartment dwelling units.

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

1. The Code of Ordinances, Anderson County, South Carolina, is hereby amended by adding a new section, to be numbered section 24-152, which section reads as follows:

Sec. 24-152. Townhome and Apartment Living Units.

(a) Purpose.

The purposes of this section are to ensure the proper siting of such projects in relation to its surroundings, to avoid any negative fallout from improper planning and design, and to determine which such projects shall be submitted for approval and review to the Planning Commission.

(b) Definitions.

The following definitions apply to this section:

Dwelling, townhouse shall have the definition provided in Section 24-24 of the Code of Ordinances, Anderson County, South Carolina.

Dwelling, apartment shall have the definition provided in Section 24-24 of the Code of Ordinances, Anderson County, South Carolina.

(c) Application

All townhome dwelling projects, all apartment dwelling projects and any combination of townhomes/apartment dwelling projects in excess of 32

dwelling units shall be submitted to the planning commission for review and approval.

(d) Additional provisions.

The provisions of Section 24-148(c) and (d) of the Code of Ordinances, Anderson County, South Carolina, shall apply to this section.

2. All other terms, provisions, sections, and contents of the Code of Ordinances, Anderson County, South Carolina not specifically 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. This Ordinance shall take effect from and after the public hearing and the third reading in accordance with the Code of Ordinances, Anderson County, South Carolina.

ORDAINED in meeting duly assembled this _____ day of _____, 2026.

ATTEST:

FOR ANDERSON COUNTY:

Rusty Burns
Anderson County Administrator

Tommy Dunn, District #5, Chairman

Renee Watts
Clerk to Council

APPROVED AS TO FORM:

Leon C. Harmon
Anderson County Attorney

First Reading: _____

Second Reading: _____

Third Reading: _____

Public Hearing: _____

ORDINANCE NO. 2026-010

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BY AND BETWEEN ANDERSON COUNTY, SOUTH CAROLINA AND A COMPANY OR COMPANIES KNOWN TO THE COUNTY AT THIS TIME AS [PROJECT FLYROD #1] 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 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 did previously enter into an Inducement Agreement dated _____, 20__ (the “*Inducement Agreement*”) with [TO COME], (the “*Company*”) (which was known to the County at the time as “*Project Flyrod #1*”), 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 an expansion of the Company’s existing facilities in the County for the manufacturing of electrical switch gear and power distribution systems and related projects (collectively, the “*Project*”); and

WHEREAS, the Company has represented that the Project will involve an investment of approximately \$17,840,000.00 in the County and the expected creation of approximately 53 new, full-time jobs at the Project, 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 Agreement, the County has agreed to, among other things, (a) enter into a Fee in Lieu of Tax and Special Source 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 (“*Fee Payment*”), and (b) provide for certain special source 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;

WHEREAS, the County and Greenville County entered into (the “*Park*”) pursuant to that certain [2010 Greenville Anderson Park Agreement] (“*Park Agreement*”); 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 and/or the County Administrator are 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 County Administrator, 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 County Council agrees to use its best efforts to ensure that the Project is incorporated into and remains in the Park for no less than the terms of the Fee Agreement and hereby authorizes and directs the County Council Chairman to execute an amendment to the Park Agreement, with any minor modifications and revisions which shall not be materially adverse to the County and shall be deemed approved by the County Council upon the Chairman’s execution of the Park Agreement, and the Clerk to County Council is authorized and directed to attest the same; and the Clerk to County Council is further authorized and directed to deliver the executed Park Agreement to the Company. Revenues generated for the Park from the Project through Fee Payments to be retained by the County (“*Net Park*”

Fees” under the Park Agreement shall be distributed within Anderson County in accordance with this subsection, as follows:

1. 15% of Net Park Fees shall be deposited to the Bond Fund created by Ordinance 2018-042 and used as required or permitted thereby;
2. 35% of the Net Park Fees, and any surplus money under Ordinance 2018-042, shall be deposited to the Capital Renewal and Replacement Fund of Anderson County; and
3. All remaining Net Park Fees shall be disbursed to each of the taxing entities in Anderson County which levy an ad valorem property tax in any of the areas comprising the Anderson County portion of the Park in the same percentage as is equal to that taxing entity’s percentage of the millage rate (and proportion of operating and debt service millage) being levied in the current tax year for property tax purposes.

Section 4. 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 5. 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 6. 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.

(Signatures on the following page.)

ENACTED in meeting duly assembled this __ day of _____, 20__.

ANDERSON COUNTY, SOUTH CAROLINA

Tommy Dunn
Chairman of County Council

Attest:

Rusty Burns
County Administrator

Renee D. Watts
Clerk to County Council

APPROVED AS TO FORM:

Leon C. Harmon
County Attorney

First Reading: _____, 20__
Second Reading: _____, 20__
Third Reading: _____, 20__
Public Hearing: _____, 20__

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 _____, 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.

Renee D. Watts
Clerk to County Council,
Anderson County, South Carolina

Dated: _____, 20__

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

Between

ANDERSON COUNTY, SOUTH CAROLINA

and

[PROJECT FLYROD #1]

Dated as of _____, 20__

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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 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 Credit Agreement or a summary compliant with Section 12-44-55 of the Code.

Company Name:	[PROJECT FLYROD #1]	Project Name:	FLYROD #1
Projected Investment:	\$17,840,000.00	Projected Jobs:	53
Location (street):	[TO COME]	Tax Map No.:	[TO COME]
1. FILOT			
Required Investment:	FILOT Act Minimum Investment Requirement.		
Investment Period:	5 years		
Assessment Ratio:	6%	Term (years):	40 years
Fixed Millage:	0.35901	Net Present Value (if yes, discount rate):	N/A
Clawback information:	See Section: 4.03. If the FILOT Act minimum investment is not met during the Standard Investment Period, the Fee Agreement shall be retroactively terminated.		
2. MCIP			
Included in an MCIP:	Yes.		
If yes, Name & Date:	[2010 Greenville Anderson Park]		
3. SSRC			
Total Amount:	See below.		
No. of Years	20 years		
Yearly Increments:	75% for years 1-10 and 50% for years 11-20		
Clawback information:	<p>See Section 4.02.(d) If the FILOT Act Minimum Investment Requirement is not met during the Standard Investment Period, any Special Source credits shall no longer be payable by the County, and the Company shall be retroactively liable to the County for the amount of Special Source Credits previously received plus interest.</p> <p>See Section 4.02.(h) If the job creation numbers are not met and/or capital investment falls short, Special Source Credits will be reduced as outlined below.</p> <ul style="list-style-type: none"> i. 53 net new jobs are not in place at the end of the third tax year, the Special Source Credits will drop to 25%; and/or ii. The capital investment of \$17,840,000 is not in place by the end of third tax year, the Special Source Credits will drop to 25%. 		
4. Other information	N/A		

FEE IN LIEU OF TAX AGREEMENT

THIS FEE IN LIEU OF TAX AND SPECIAL SOURCE CREDIT AGREEMENT (the “*Fee Agreement*”) is made and entered into as of _____, 20__ 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 [PROJECT FLYROD #1], a [TO COME] organized and existing under the laws of the State of [TO COME] (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 an expansion of the Company’s facilities in the County for the manufacture of electrical switch gear and power distribution systems and related products.

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. By enactment of an Ordinance on _____, 20__, 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 [PROJECT FLYROD #1], a [TO COME], 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 the FILOT Act Minimum Investment Requirement.

“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 and this Fee Agreement, and selected and identified by the Company or any Sponsor Affiliate in its annual filing of a SCDOR PT-300T 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.

“Fee Agreement” shall mean this 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.

“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 [2010 Greenville Anderson Park, dated as of _____, _____], 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.

“Net Park Fees” as defined in Section 2.01(f).

“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 39th 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 40 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]

ARTICLE II

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 0.35901 mills, which is the millage rate in effect with respect to the location of the proposed Project as of June 30, 2026, 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.

(f) Revenues generated for the MCIP from the Project through FILOT Payments to be retained by the County (“*Net Park Fees*”) under the MCIP Agreement shall be distributed within Anderson County as follows:

1. 15% of Net Park Fees shall be deposited to the Bond Fund created by Ordinance 2018-042 and used as required or permitted thereby;
2. 35% of the Net Park Fees, and any surplus money under Ordinance 2018-042, shall be deposited to the Capital Renewal and Replacement Fund of Anderson County; and
3. All remaining Net Park Fees shall be disbursed to each of the taxing entities in Anderson County which levy an ad valorem property tax in any of the areas comprising the Anderson County portion of the Park in the same percentage as is equal to that taxing entity’s percentage of the millage rate (and proportion of operating and debt service millage) being levied in the current tax year for property tax purposes.

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 [TO COME], 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 manufacturing electrical switch gear and power distribution systems and related products, 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 FILOT Act Minimum Investment Requirement within the Investment Period.

[End of Article II]

ARTICLE III

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, (ii) meet the FILOT Act Minimum Investment Requirement, and (iii) create approximately 53 new, full-time jobs (with benefits) within the Investment Period. The Company anticipates that the first Phase of the Project will be placed in service during the calendar year ending December 31, 2026.

(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 this Fee Agreement, 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 FILOT Act Minimum Investment Requirement within the 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 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]

ARTICLE IV

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 39 years thereafter or such longer period of years in which the FILOT Act and this Fee Agreement permit the Company and any Sponsor Affiliates to make annual FILOT payments.

Step 3: Use a millage rate of 0.35901 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 Standard 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 twenty (20) consecutive years in an amount equal to seventy-five percent (75%) for the Years 1-10 and fifty percent (50%) for Years 11-20 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.

(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 FILOT Act 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 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.

(h) Under the circumstances that follow the Special Source Credits will be reduced as outlined below:

- i. 53 net new jobs are not in place at the end of the third tax year of the Investment Period, the Special Source Credits will drop to 25%; and/or
- ii. The capital investment of \$17,840,000 is not in place by the end of third tax year of the Investment Period, the Special Source Credits will drop to 25%.

If the Company subsequently meets the requirements above within two (2) years following a shortfall, the Special Source Credits will be restored to the amounts described in Section 4.02(a), without reimbursement during the period of shortfall.

Section 4.03 Failure to Achieve 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 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 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 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 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]

ARTICLE V

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 may end, and this Fee Agreement may be terminated by the County, at the County's sole discretion, if the Company ceases operations at the Project; provided, however, that the Special Source Credits provided for in this Fee Agreement shall automatically terminate if the Company ceases operations as set forth in this Section 5.01. 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 following the Project's initial placement in service. 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 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]

ARTICLE VI

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 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]

ARTICLE VII
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:

[PROJECT FLYROD #1] _____
Attn: _____

With a copy to:

Philip Land Law Firm
Attn: J. Philip Land, Esq
ONE N. Main Street, Suite 400
Greenville, South Carolina 29601

If to the County:

Anderson County
Attn: County Administrator
101 South Main Street
Anderson, South Carolina 29624

With a copy to:

Anderson County
Attn: County Attorney
101 South Main Street
Anderson, South Carolina 29624

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 Chairman of County Council, 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.

ANDERSON COUNTY, SOUTH CAROLINA

(SEAL)

Tommy Dunn
Chairman of County Council

ATTEST:

Rusty Burns
County Administrator

Renee D. Watts
Clerk to County Council of
Anderson County, South Carolina

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

[PROJECT FLYROD #1]

By: _____
Its: _____

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

EXHIBIT A

LEGAL DESCRIPTION

[TO COME]

EXHIBIT B

INVESTMENT CERTIFICATION

I _____, the _____ of _____ (the "**Company**"), do hereby certify in connection with Section 4.03 of the Fee in Lieu of Tax and Special Source Credit Agreement dated as of _____, 20__ 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 _____ (the "**Company**"), do hereby certify in connection with Section 4.02 of the Fee in Lieu of Tax and Special Source Credit Agreement dated as of _____, 20__ 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. 2026-011

**AN ORDINANCE TO TRANSFER AN EASEMENT INTEREST IN REAL PROPERTY,
LOCATED AT THE ANDERSON COUNTY SPORTS & ENTERTAINMENT CENTER
TO DUKE ENERGY CAROLINAS, LLC; AND OTHER MATTERS RELATED
THERE TO. (TITLE ONLY)**

RESOLUTION NO. 2026-009

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT BY AND BETWEEN ANDERSON COUNTY, SOUTH CAROLINA AND PROJECT FLYROD #1 HEREBY, 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 FLYROD #1 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*”), and Title 4, Chapter 1 (the “*Multi-County Park 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 FLYROD #1 (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 constitute an expansion to its manufacturing facility in the County (collectively, the “*Project*”), which will result in expected investment by the Company in the Project of approximately Seventeen Million, Eight Hundred and Forty Thousand Dollars and 00/00 (\$17,840,000.00) in non-exempt investment and the expected creation of approximately 53 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, 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 (collectively, the “**Multi-County Park Authority**”), the County intends to cause the site on which the Project is located, to the extent not already therein located, in a multi-county industrial and business park (a “**Park**”) established by the County pursuant to qualifying agreement with an adjoining South Carolina county (the “**Park Agreement**”); 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. (a) Pursuant to the authority given to County Council by the South Carolina Constitution, the Code, and the FILOT Act and the Multi-County Park 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**”).

(b) The County Council will use its best efforts to take all reasonable acts to ensure that the Project will continuously be included within the boundaries of the Park or another qualified multi-county industrial or business park in order that the tax benefits contemplated hereunder and afforded by the laws of the State for projects located within multi-county industrial or business parks will be available to the Company for at least the term of 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 ___ day of _____, 20__.

ANDERSON COUNTY, SOUTH CAROLINA

Tommy Dunn
Chairman of County Council

Attest:

Rusty Burns
County Administrator

Renee D. Watts
Clerk to County Council

APPROVED AS TO FORM:

Leon C. Harmon
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 FLYROD #1 (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 an expansion to its manufacturing facility in the County (collectively, the "*Project*"), which will result in an expected investment by the Company in the Project of approximately Seventeen Million, Eight Hundred and Forty Thousand Dollars and 00/00 (\$17,840,000.00), (the "*Investment Target*") and the expected creation by the Company of approximately (but not required) 53 net new, full-time, jobs (with benefits) with respect thereto (the "*Jobs Creation Target*"), 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) 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 will use its best efforts to place the site of the Project in a multi-county industrial and business park (the "*Park*") established by the County pursuant to qualifying agreement with Anderson County or other adjoining county in the State (the "*Park Agreement*").

(d) 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.

(e) 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 Source 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 forty (40) 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-nine (39) 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 0.35901 mills (that is, the cumulative millage rate in effect at the site of the Project for all taxing entities as of June 30, 2026; 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 Companies, in their 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 an annual special source credit equal to 75% for years 1-10 and 50% for years 11-20 of each year's payments in lieu of taxes pursuant to the Park Agreement, 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.

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 2.6. 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 2.7. 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.

ARTICLE III UNDERTAKINGS ON THE PART OF THE COMPANIES

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(d) 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 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 DO 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 DO 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 Companies on or before December 31, 2027 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.

ANDERSON COUNTY, SOUTH CAROLINA

Tommy Dunn
Chairman of County Council

Attest:

Rusty Burns
County Administrator

By: _____
Renee D. Watts
Clerk to County Council of Anderson County

[SIGNATURE PAGE 1 OF INDUCEMENT AGREEMENT]

PROJECT FLYROD #1

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 _____, 20__, 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.

Renee D. Watts
Clerk to Anderson County Council

Dated: _____, 20__



TO: Administration

FROM: J. Stone Fleet Manager

DATE: 2.9.2026

RE: Donation Request

The Town of Iva has requested a donation of a used Police vehicle. The following unit can be donated with the approval of Council. Unit 28296, a 2013 Chevy Tahoe with 213,000 miles. We should be able to leave all police equipment as well with the donation. Vin# 1GNSK4E03DR191084



Additionally, we have a second request from Sandy Spring Fire Department.

The following can be donated with approval of Council. Unit 3481, a 2013 Chevy Tahoe with 75,000 miles. We have left the lights and radio as they are the correct color for their needs. Vin# 1GNLC2E01DR134081



Thanks. J Stone Fleet Manager



RECREATION FUND APPROPRIATIONS APPLICATION

WHAT DISTRICT(S) ARE YOU REQUESTING FUNDING FROM:

DISTRICT:

Mail/Email to:

Anderson County Council Clerk
P.O. Box 8002, Anderson, SC 29622
rdwatts@andersoncountysc.org

Tommy Dunn
Chairman, District 5

Brett Sanders
V. Chairman, District 4

Chris Sullivan
Council District 1

Glenn A. Davis
Council District 2

Greg Elgin
Council District 3

Jimmy Davis
Council District 6

Cindy Wilson
Council District 7

Renee Watts
Clerk to Council

Rusty Burns
County Administrator

1. Name of entity requesting recreation fund appropriation:

Lake Hartwell Partners for Clean Water

2. Amount of request (If requesting funds from more than one district, annotate amount from each district):

Total = 5,208.84
\$ 2,604.42 - District 4, \$ 2,604.42

3. The purpose for which the funds are being requested:

Insurance for Trash Tank. lake cleanup barge District 5

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

5. Contact Person:

Jill Chapman

Mailing Address:

998 Hunters Trail, Anderson, SC 29625

Phone Number:

864-918-9508

Email:

Jchapman@cdenjpyner.com

6. Statement as to whether the entity will be providing matching funds:

LHPCW does not have matching funds

I certify that the foregoing 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.

Jill Chapman Jill Chapman 1-20-26
Signature Print Name Date
Board Member LHPCW