

Lancaster County Council Regular Meeting Agenda

Monday, November 9, 2015

County Administration Building, County Council Chambers
101 N. Main Street
Lancaster, SC 29720

1. **Call Meeting to Order – Chairman Bob Bundy** 6:30 pm.
2. **Welcome and Recognition – Chairman Bob Bundy**
3. **Pledge of Allegiance and Invocation – Council Member Steve Harper**
4. **Approval of the agenda** *[deletions and additions of non-substantive matter]*
5. **Special Presentations:**
 - a. Homeless Awareness Initiative - Council Member Charlene McGriff – pg. 5
(Candle Light Vigil: 5:45p.m. at the Historic Courthouse)
6. **Citizen Comments** *[Speakers are allowed approximately 3 minutes. If there are still people on the list who have not spoken at the end of thirty (30) minutes, Council may extend the citizen comments section or delay it until a later time in the agenda]*
7. **Consent Agenda**
 - a. **Minutes of the following meetings:**
 - October 26, 2015 Regular Meeting – pgs. 6-15
 - October 29, 2015 Special Meeting – pgs. 16-17
8. **Non-Consent Agenda**

Resolution

- a. **Resolution 0900-R2015 – regarding Twelve Mile Creek Road and the Development Agreement with Twelve Mile Creek Land Ventures, LLC.**

A Resolution to approve a waiver by Lancaster County of Section 4.04(2)(b) of a Development Agreement with Twelve Mile Creek Land Ventures, LLC associated with Ordinance No. 2014-1284. *(Favorable – I&R) John Weaver – pgs. 18-21*

b. Public Hearing and 3rd Reading of Ordinance 2015-1348 Amendments to the 2010 Nutramax Incentive, Fee and Infrastructure Credit Agreements

Ordinance Title: An ordinance to authorize the execution and delivery of Amendments to a 2010 Incentive Agreement, Fee Agreement, and Infrastructure Credit Agreement by and among Lancaster County, South Carolina, Nutramax Manufacturing Inc., Nutramax Laboratories, Inc., Nutramax Properties, LLC, Nutramax Land Holdings, Inc., The City of Lancaster, and the Lancaster County Economic Development Corporation; and to provide for other matters related thereto. *(Administration Committee – Favorable) Council approved 2nd Reading 7-0 at the October 26th meeting. John Weaver – pgs. 22-40*

c. Public Hearing and 3rd Reading of Ordinance 2015-1377 regarding the transfer of a fee in lieu of tax arrangement between Lancaster County and the Gillette Company

Ordinance Title: An Ordinance authorizing and approving the transfer of a fee in lieu of tax arrangement between Lancaster County, South Carolina, and the Gillette Company, as successor to Duracell Inc., under Title 4, Chapter 29 of the Code of Laws of South Carolina 1976, as amended, to an arrangement under Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended; authorizing and approving the assignment of three fee in lieu of tax arrangements between the Gillette Company and the county to Duracell Manufacturing, Inc.; and providing for other matters related thereto. *(Administration Committee – Favorable). Council approved 2nd Reading 7-0 at the October 26th meeting. John Weaver – pgs. 41-88*

d. Public Hearing and 3rd Reading of Ordinance 2015-1352 Multi-County Park Agreement between Lancaster County and Chesterfield County

Ordinance Title: An Ordinance to authorize and approve an amended and restated Master Multi-County park agreement between Chesterfield County, South Carolina and Lancaster County, South Carolina; and to provide for other matters related thereto. *Council approved 2nd Reading 7-0 at the October 26, 2015 meeting. John Weaver – pgs. 89-105*

e. 3rd Reading of Ordinance 2015-1365 to rezone property of Reid Wilkerson/NBI Investments, III, LLC

Ordinance Title: An Ordinance to amend the official zoning map of Lancaster County so as to rezone property of Reid Wilkerson/NBI Investments III, LLC, located at 182 Spice Road, from R-15P, Moderate Density Residential/Agricultural Panhandle District to I-1, Light Industrial District; and to provide for other matters related thereto. *Council approved 2nd Reading 6-1 at the August 24, 2015 meeting (Brian Carnes opposed) Council deferred 3rd Reading at the September 14, 2015 meeting. Penelope Karagounis – pgs. 106-107*

f. **Public Hearing and 3rd Reading of Ordinance 2015-1380 regarding a Infrastructure Credit and Incentive Agreement with 3i Products, Inc. (Project Seating) amendment needed**

Ordinance Title: An Ordinance to authorize the execution and delivery of an infrastructure credit and incentive agreement by and between Lancaster County, South Carolina, and 3i Products, Inc.,(Project Seating) providing for special source revenue credits and the sale to project seating of approximately 15.58 acres of land located at 3888 Chester Highway (S.C. 9), tax parcel no. 0066-00-033.00; and to provide for other matters related thereto. *(Favorable – Administration Committee) Council approved 2nd Reading 5-0 at the October 29, 2015 special meeting. John Weaver – pgs. 108-132*

g. **2nd Reading of Ordinance 2015-1378 regarding Ansley Park Development (portion of PDD 21) amendment needed**

Ordinance Title: An Ordinance to approve a Development Agreement between Forestar (USA) Real Estate Group Inc., and the County of Lancaster relating to the Ansley Park Development; to authorize certain county officials to execute and deliver the Development Agreement; and to provide for other matters related thereto. *(Favorable – I&R Committee) Council approved 1st Reading 7-0 at the October 26, 2015 meeting. John Weaver– pgs. 133-158*

h. **2nd Reading of Ordinance 2015-1379 regarding the Fee Agreement for Movement Mortgage amendment needed**

Ordinance Title: An Ordinance to authorize the execution and delivery of a fee agreement by and among Lancaster county and Movement Mortgage, LLC and TKC CCII, LLC providing for the payment of a fee-in-lieu of taxes and the provision of special source revenue credits; to express the intention of council to provide monies to the economic development fund; and to provide for other matters related thereto. *Council approved 1st Reading 6-1 at the October 26, 2015 meeting. (Larry McCullough opposed). John Weaver – pgs. 159-189*

9. **Discussion and Action Items**

- a. Residency Requirement – *Councilman Larry Honeycutt requested to revisit the issue – pgs. 190*

10. **Status of items tabled, recommitted, deferred or held**

- a. 3rd Reading of Ordinance 2015-1367 regarding modifications to the Edenmoor Improvement District (now known as Walnut Creek)
- b. 3rd Reading of Ordinance 2015-1368 to authorize and provide for issuance and sale of Walnut Creek Improvement District Revenue Bonds and other related matters
- c. 2nd Reading of Ordinance 2015-1366 regarding the Fee Agreement between Lancaster County and LCI-Lineberger Construction, Inc.

11. Miscellaneous Reports and Correspondence – pgs. 191-210

- a. WIOA Planning Regions
- b. LARS update
- c. Sales Tax Road Program update

12. Calendar of Events – pg.211

13. Citizens Comments *[if Council delays until end of meeting]*

14. Executive Session

- a. *Economic Development Matters – SC Code §30-4-70(5)*
 - 1. Project 2015-1
 - 2. Project 2015-2
 - 3. Project 2015-3

15. Adjournment

Anyone requiring special services to attend this meeting should contact 285-1565 at least 24 hours in advance of this meeting.

Lancaster County Council agendas are posted at the Lancaster County Administration Building and are available on the Website:
www.mylanastersc.org



hunger & homelessness Awareness Week

November 9-13, 2015

Monday, November 9th

Candle Light Vigil: 5:45pm

Lancaster County Historic Courthouse, 101 N. Main Street

County Council Presentation, Council Chambers, 6:30pm

Tuesday, November 10th

Candle Light Vigil: 6:15

City Hall Parking Lot, 216 S. Catawba Street

City Council Presentation, Council Chambers, 7:00pm

Wednesday, November 11th

Volunteers to help in food pantry at Christian Services: 11-4pm

RSVP to Christian Services at 803-285-9327 or 803-285-4444

Please Thank a Veteran Today!

Thursday, November 12th

Homeless Food Order Simulator: 3:00pm & 6:00pm

What food do you provide someone that has no electricity or water?

HOPE, 2008 Pageland Hwy. RSVP to HOPE at 803-286-4673

Friday, November 13th

Poverty Simulator: 9:00am & 2:00pm

Could you survive a day in their shoes?

USCL Bradley Multi-Purpose Room, 476 Hubbard Drive

Join us to help raise awareness!



Members of Lancaster County Council

Bob Bundy, District 3, Chairman
Brian Carnes, District 7, Vice Chairman
Steve Harper, District 5, Secretary
Jack Estridge, District 6
Larry Honeycutt, District 4
Larry McCullough, District 1
Charlene McGriff, District 2

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Minutes of the Lancaster County Council Regular Meeting

101 N. Main Street, Lancaster, SC 29720

Monday, October 26, 2015

Council Members present were Bob Bundy, Jack Estridge, Brian Carnes, Larry Honeycutt, Larry McCullough, Steve Harper and Charlene McGriff. Also present was Steve Willis, Debbie Hardin, Brenisha Wells, Penelope Karagounis, Veronica Thompson, John Weaver, the press and spectators. A quorum of Lancaster County Council was present for the meeting.

The following press was notified of the meeting by e-mail or by fax in accordance with the Freedom of Information Act: *The Lancaster News*, *Kershaw News Era*, *The Rock Hill Herald*, *The Fort Mill Times*, Cable News 2, Channel 9 and the local Government Channel. The agenda was also posted in the lobby of the County Administration Building the required length of time and on the county website.

Call meeting to order

Chairman Bob Bundy called the regular meeting of Council to order at 6:00 p.m.

Welcome and recognition/pledge of allegiance and invocation

Chairman Bob Bundy welcomed everyone to the meeting, and announced the press notification was met. Council Member Brian Carnes led the Pledge of Allegiance to the American Flag and provided the invocation.

Approval of the agenda

Brian Carnes moved to approve the agenda as written. SECONDED by Larry Honeycutt. Passed 7-0.

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Executive Session

Presentation and discussion of an economic development expansion.

MOTION was made by Charlene McGriff to move into Executive Session. SECONDED by Larry McCullough. Passed 7-0.

MOTION was made by Larry Honeycutt to move out of Executive Session. SECONDED by Brian Carnes. Passed 7-0.

County Attorney John Weaver stated that during the course of Executive Session, there were no votes taken and no motions made.

Call meeting back to order

Chairman Bundy called the meeting back to order at 6:30 p.m.

Citizen Comments

John Baker, Vice Chairman of the Lancaster County Economic Development Corporation (LCEDC), spoke to Council regarding the LCEDC audit. Mr. Baker distributed his comments to Council, attached as schedule A.

Gary Holland, 8728 Collins Road, spoke regarding Ansley Park. Mr. Holland distributed his comments to Council, attached as schedule B.

J.R. Wilt, 903 Rock Hill Highway, spoke regarding Ansley Park, impact fees and the Dave Lyle Boulevard Extension.

Special Appointment

Appointment of Deputy Clerk to Council

Steve Willis explained pursuant to the Lancaster County Code Section 2-26, appointment of the Deputy Clerk to Council was needed.

MOTION was made by Brian Carnes to appoint Brenisha Wells as Deputy Clerk to Council. SECONDED by Larry Honeycutt. Passed 7-0.

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Special Presentations

Thumbs Up to Teresa Willis

Bob Bundy presented Teresa Willis of the Recreation Department with a Thumbs Up award for taking on the added responsibility of finding sponsorships for recreational programs.

Thumbs Up to Scott Dunham and David Demby

Bob Bundy presented Scott Dunham and David Demby of EMS with the Thumbs Up award for winning the Carolina Competition for North and South Carolina.

Consent Agenda

Minutes of the September 28, 2015 and October 12, 2015 Regular Meetings

MOTION was made by Larry Honeycutt to approve the minutes of the September 28, 2015 and October 12, 2015 regular meetings. SECONDED by Charlene McGriff. Passed 7-0.

Non-Consent Agenda

Resolutions

Resolution 0899-R2015 – Fee Agreement regarding Project Streetcar

A Resolution to state the commitment of Lancaster County to enter into a fee agreement with Project Streetcar, and/or its designee or nominee; to provide the general terms of the fee agreement including the provision of a special source revenue credit; to identify the project for purposes of the fee in lieu of tax simplification act; to state the commitment of Lancaster County to place project property in a multi-county park; and to provide for other matters related thereto.

Larry Honeycutt moved to defer Resolution 0899-R2015 to gather more information. SECONDED by Charlene McGriff. Passed 7-0.

Ordinance Readings

2nd Reading of Ordinance 2015-1348 Amendments to the 2010 Nutramax Incentive, Fee and Infrastructure Credit Agreements

Ordinance Title: An ordinance to authorize the execution and delivery of Amendments to a 2010 Incentive Agreement, Fee Agreement, and Infrastructure Credit Agreement by and among Lancaster County, South Carolina, Nutramax Manufacturing Inc., Nutramax Laboratories, Inc., Nutramax Properties, LLC, Nutramax Land Holdings, Inc., The City of Lancaster, and the Lancaster County Economic Development Corporation; and to provide for other matters related thereto.

MOTION was made by Steve Harper to approve 2nd Reading of Ordinance 2015-1348. SECONDED by Charlene McGriff. Passed 7-0.

2nd Reading of Ordinance 2015-1377 regarding the transfer of a fee in lieu of tax arrangement between Lancaster County and the Gillette Company

Ordinance Title: An Ordinance authorizing and approving the transfer of a fee in lieu of tax arrangement between Lancaster County, South Carolina, and the Gillette Company, as successor to Duracell Inc., under Title 4, Chapter 29 of the Code of Laws of South Carolina 1976, as amended, to an arrangement under Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended; authorizing and approving the assignment of three fee in lieu of tax arrangements between the Gillette Company and the county to Duracell Manufacturing, Inc.; and providing for other matters related thereto.

MOTION was made by Brian Carnes to approve 2nd Reading of Ordinance 2015-1377. SECONDED by Charlene McGriff. Passed 7-0.

2nd Reading of Ordinance 2015-1352 Multi-County Park Agreement between Lancaster County and Chesterfield County

Ordinance Title: An Ordinance to authorize and approve an amended and restated Master Multi-County park agreement between Chesterfield County, South Carolina and Lancaster County, South Carolina; and to provide for other matters related thereto.

MOTION was made by Charlene McGriff to approve 2nd Reading of Ordinance 2015-1352. SECONDED by Jack Estridge.

Brian Carnes moved to amend the Ordinance to include all properties in Lancaster County and Chesterfield County on pages 108-111 of the agenda package (pages attached for reference as schedule C).

Council voted to approve 2nd Reading of Ordinance 2015-1352 as amended 7-0.

1st Reading of Ordinance 2015-1378 regarding Ansley Park Development (portion of PDD 21)

Ordinance Title: An Ordinance to approve a Development Agreement between Forestar (USA) Real Estate Group Inc., and the County of Lancaster relating to the Ansley Park Development; to authorize certain county officials to execute and deliver the Development Agreement; and to provide for other matters related thereto.

Penelope Karagounis explained that 1st Reading is a little out of order. Normally a development agreement goes to the Planning Commission prior to coming to Council. This time we have taken it to the I&R Committee, then to Council, simultaneously with going to the Planning Commission. Second Reading has been scheduled for November 9th and it will come before Planning Commission with a public hearing on November 17th. Tentatively, Council will have Third Reading on November 23rd with a public hearing.

John Weaver, County Attorney, noted the reason for the schedule change was that the seller of the property has been trying to sell this for 10 years and would have a benefit to her taxes if she could sell it before the end of the year.

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Mr. Weaver also informed Council that this Development Agreement is for the back part of the property, for residential development of 147 acres. The front part of the property is the commercial part of the PDD and is still for sale.

MOTION was made by Larry Honeycutt to approve 1st Reading of Ordinance 2015-1378. SECONDED by Charlene McGriff. Passed 7-0.

Council discussed the timeframe for how long commercial development has to be developed in a Planned Development District (PDD) so that it would not be an open-ended item.

MOTION was made by Larry McCullough that the county staff and county attorney come back to this body as soon as reasonable with a vehicle to modify our Development/PDD's so that they are not open-ended. SECONDED by Brian Carnes. Passed 7-0.

Chairman Bundy noted that this item would come back to Council at the next meeting.

1st Reading of Ordinance 2015-1379 regarding the Fee Agreement for Movement Mortgage

Ordinance Title: An Ordinance to authorize the execution and delivery of a fee agreement by and among Lancaster county and Movement Mortgage, LLC and TKC CCII, LLC providing for the payment of a fee-in-lieu of taxes and the provision of special source revenue credits; to express the intention of council to provide monies to the economic development fund; and to provide for other matters related thereto.

MOTION was made by Brian Carnes to approve 1st Reading of Ordinance 2015-1379. SECONDED by Jack Estridge. Passed 6-1. Larry McCullough opposed.

Larry McCullough noted that the cost benefit analysis in the agenda document was blank and that he had questions regarding the affiliates and the claw backs.

Steve Willis distributed an updated Ordinance 2015-1379 that included the cost benefit analysis. This ordinance is attached for reference as schedule D and will be brought to Council at the next meeting for 2nd Reading.

1st Reading of Ordinance 2015-1380 regarding a Infrastructure Credit and Incentive Agreement with Project Seating

Ordinance Title: An Ordinance to authorize the execution and delivery of an infrastructure credit and incentive agreement by and between Lancaster County, South Carolina, and Project Seating providing for special source revenue credits and the sale to project seating of approximately 15.58 acres of land located at 3888 Chester Highway (S.C. 9), tax parcel no. 0066-00-033.00; and to provide for other matters related thereto.

MOTION was made by Brian Carnes to approve 1st Reading of Ordinance 2015-1380. SECONDED by Jack Estridge. Passed 6-1. Larry McCullough opposed.

Chairman Bundy informed Council that there would be a special meeting to hear 2nd Reading regarding this Ordinance on October 29, 2015 at 11:45 a.m. He explained that the reason for the special meeting was this Ordinance was scheduled to come before Council on October 12th and due to the flooding in Columbia; attorneys could not finalize their work. He further explained that the only way he would agree to have a special meeting was that there would be no changes to the ordinance.

Discussion and Action Items

Sun City Carolina Lakes townhouse build and condo out question – Ordinance 631.

John Weaver, County Attorney, requested the desire of Council to pursue the issue of Pulte's decision not to build in Sun City Carolina Lakes the minimum number of town houses and condominiums agreed to in PDD-18 and approved in Ordinance 631, passed August 2, 2004.

Mr. Weaver presented the following options:

1. Take no action and allow completion of Sun City Carolina Lakes development according to the developer's present plan;
2. Initiate litigation for a claim for damages (taxes, etc.) incurred prospectively by the county because of Pulte's failure to comply with the PDD-18 requirements.
3. Amend ordinance 631 to decrease the number of townhouses and condominiums consistent with the actual number of units constructed.

Councilman Jack Estridge discussed that the Development Agreement is an Agreement and should be discussed with the parties involved. Council member Larry McCullough noted that there are assessments on the property due to infrastructure bonds and asked Mr. Weaver if those assessments would increase on the homeowner due to the fewer units or would that be something that Pulte would have to pay. Mr. Weaver noted that he is unaware of the assessments but would guess that the assessments would increase. Councilman McCullough requested that this issue be pursued.

Jack Estridge moved that the County Attorney ask Pulte to negotiate with the County Council regarding the Development Agreement to bring resolution on the original agreement. **SECONDED** by Larry Honeycutt. Passed 7-0.

Impact Fee Study Information.

Penelope Karagounis stated that this is coming back to Council for consideration of an impact fee. The areas of the impact fee include Library, Parks, and Recreation and Governmental Services (primarily but not limited to Public Safety) which would be charged only to new residential structures. Transportation is not an area for consideration.

Robby Moody from the Catawba Regional Council of Governments discussed the cost for the study. The original scope would cost \$12,480. The updated scope, which added meetings with stakeholders

and community, is \$14,080. The expanded scope would cost \$23,680 and would add a phase that would develop administrative process and prepare training procedures and train staff.

Councilman Carnes asked if there is ongoing cost associated with the impact fees. Mr. Willis replied that there would be minimal cost. Councilman Carnes also asked if we could have two separate contracts. One would be for the updated scope in the amount of \$14,080. The second would be to add the expanded scope of an additional \$8,000, later if Council decides to utilize the services of the COG or if they use county staff to implement the final plan.

Larry McCullough moved that we proceed with the proposed study, as two pieces. (First piece – fund up to \$14,080 for the updated scope and the second piece fund only upon Council approval the \$8,000 for the final plan development/adoption). SECONDED by Jack Estridge. Passed 7-0.

Fire Trucks/Public Works Facility cost estimates for bond.

Steve Willis discussed the cost estimates on the fire trucks and fleet operations facility bids. Bids have been opened for the fire trucks and the total amount of estimated bond needed is \$6,635,199. Indian Land and Pleasant Valley Fire Departments will be adding other funds for pumper-tankers. In addition, the Rich Hill fire station will be using the proceeds from the sale of existing surplus apparatus to fund building improvements. Mr. Willis further discussed that engineering cost estimates for the Fleet Operations facility is \$3,728,185. This is not a bid price. This item will go to the Administration Committee for recommendations and will be brought back to Council at a future meeting.

Sexual Assault Justice Initiative Grant (100% - no local match).

Steve Willis informed Council that this grant was applied for and Lancaster County is the applicant of record as it affects multiple agencies. The School District wrote the grant and it will benefit the Sheriff's Office and Solicitor's Office. Palmetto Citizens against Sexual Assault is also affected.

Councilwoman McGriff explained a deputy position would be funded by the grant, if awarded; however, it is not one of those positions that must be picked up by the County when the grant expires.

Mr. Willis noted that no motion is needed by Council at this time

2015 Department of Public Safety Grant (100% - no local match).

Steve Willis informed Council this is a \$28,000, grant that has no local match. The Sheriff's Office will receive \$7,000 and the remainder will be split as needs are determined by the agency heads.

Mr. Willis further noted that no motion is need by Council at this time.

Update regarding the bridge on Gilroy Drive in Regent Park Subdivision into the County Road System.

Steve Willis reported that work continues on the bridge in Regent Park. He stated the Town of Pineville is still not consenting to an emergency access easement. The developers will check to see if it would make a difference if the easement were in the name of Lancaster County rather than the HOA.

Councilman Carnes noted that emergency management departments from Lancaster County and the Town of Pineville could speak regarding the matter.

Lancaster HOME Consortium board makeup.

Steve Willis informed Council that the board is called the Lancaster HOME Consortium because we are the lead entity but it is composed of three of the four counties in the Catawba Regional Council of Governments (COG) (Fort Mill, Rock Hill and Lancaster). The standard board make up is one person from the county, one from the largest city in each county, and one person at-large from each county as selected by the COG board. In the case of York County, we would include both Rock Hill and Fort Mill plus the member selected by the COG as the York at-large member.

MOTION was made by Larry McCullough to proceed with this board and authorize the Chairman to appoint the person to serve. SECONDED by Brian Carnes. Passed 7-0.

Charlene McGriff suggested that person selected in serving be versed in housing. Brian Carnes suggested that the person live outside of the city limits, since the City will get to appoint their own person.

Chairman Bundy noted that he would need Council's help in searching for the person.

Unified Development Ordinance (UDO) rewrite update.

Planning Director, Penelope Karagounis, updated Council on the Unified Development Ordinance (UDO) rewrite. She reported over the past two and a half weeks, four community meetings were held in Buford, Kershaw, Lancaster, and Indian Land and approximately 105 people participated. Ms. Karagounis further noted that the UDO chapters are being finalized and will be reviewed by staff in October and will be shared with the Planning Commission at the December workshop. Public hearings for the UDO project will begin in January 2016.

Announcement regarding the Catawba Regional Blueways grant award.

Penelope Karagounis informed Council that the Catawba Regional Council of Governments applied for a grant application with the National Park Service Rivers, Trails and Conservation Assistance Program. On October 1, 2015, we received notification that the Catawba Regional Blueways have been selected as a new project, which will receive technical assistance in the fiscal year of 2016. The purpose of this plan is to coordinate planning efforts on all waterways to enhance recreational

opportunities, economic development, nature based tourism and environmental stewardship. In addition, the planning efforts will include linkages to parks and greenways and incorporate all community partners.

Rock Hill, Fort Mill, Area Transportation Study (RFATS) Technical Committee update.

Penelope Karagounis informed Council that discussions were made at the RFATS Technical Committee regarding the availability of a potential adjustment to the Charlotte Area Transportation System (CATS), which might prove a transit option to assisting with the increasing demand levels on US 521 especially during the morning and evening peak driving periods.

Monthly Finance report

Kimberly Hill gave the monthly finance report for September 2015.

Committee Reports

Administration Committee

Committee Chairman, Brian Carnes, reported the committee discussed a request from the Tree Tops Development and the upcoming budget process.

Public Safety

Committee Chairman, Steve Harper, reported the committee discussed radios with Public Safety Communications Director, Chris Nunnery.

Infrastructure and Regulation Committee (I&R)

Committee Chairman, Larry Honeycutt, reported the Committee discussed TDON / Bent Creek access to Twelve Mile Creek Road and the development agreement changes as well as Ansley Park.

Executive Session

Larry Honeycutt made a MOTION to move into Executive Session. SECONDED by Charlene McGriff. Passed 7-0.

Larry Honeycutt made a MOTION to move out of Executive Session. SECONDED by Charlene McGriff. Passed 7-0.

Attorney John Weaver stated while in Executive Session Council discussed potential litigation, no votes were taken, and no motions were made.

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Adjournment

Larry Honeycutt made a MOTION to adjourn. SECONDED by Brian Carnes. Passed 7-0.

Respectfully Submitted:

Approved by Council, November 9, 2015

Debbie C. Hardin
Clerk to Council

Steve Harper, Secretary

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Members of Lancaster County Council
Bob Bundy, District 3, Chairman
Brian Carnes, District 7, Vice Chairman
Steve Harper, District 5, Secretary
Jack Estridge, District 6
Larry Honeycutt, District 4
Larry McCullough, District 1
Charlene McGriff, District 2

Minutes of the Lancaster County Council Special Meeting

101 N. Main Street, Lancaster, SC 29720

Thursday, October 29, 2015

Council Members present were Bob Bundy, Jack Estridge, Larry Honeycutt, Steve Harper and Charlene McGriff. Council Members absent were Brian Carnes and Larry McCullough. Also present was Steve Willis, Brenisha Wells, John Weaver, and a spectator. A quorum of Lancaster County Council was present for the meeting.

The following press was notified of the meeting by e-mail or by fax in accordance with the Freedom of Information Act: *The Lancaster News*, *Kershaw News Era*, *The Rock Hill Herald*, *The Fort Mill Times*, Cable News 2, Channel 9 and the local Government Channel. The agenda was also posted in the lobby of the County Administration Building the required length of time and on the county website.

Call meeting to Order

Chairman Bob Bundy called the special meeting of Council to order at 11:45 a.m.

Welcome and recognition/pledge of allegiance and invocation

Chairman Bob Bundy welcomed everyone to the meeting, and announced the press notification was met. Council Member Larry Honeycutt led the Pledge of Allegiance to the American Flag and provided the invocation.

Approval of the agenda

Councilwoman McGriff moved to approve the agenda as written. **SECONDED** by Councilman Honeycutt. Passed 5-0.

Citizen Comments

There were no citizen comments.

2nd Reading of Ordinance 2015-1380 regarding a Infrastructure Credit and Incentive Agreement with Project Seating

Ordinance Title: An Ordinance to authorize the execution and delivery of an infrastructure credit and incentive agreement by and between Lancaster County, South Carolina, and Project Seating providing for special source revenue credits and the sale to project seating of approximately 15.58 acres of land located at 3888 Chester Highway (S.C. 9), tax parcel no. 0066-00-033.00; and to provide for other matters related thereto.

Councilman Estridge made reference to Page 5, paragraph (a) of the agenda package as it relates to the Right of Refusal. He wanted to know if the County would be responsible for payment in the event the Company offers to sell the project Site to any unrelated third party within five (5) years from the date of conveyance of the Project site from the County to the Company. County Attorney John Weaver explained that the County would not have to pay if that should happen.

MOTION was made by Councilman Honeycutt to approve 2nd Reading of Ordinance 2015-1380. SECONDED by Councilwoman McGriff. Passed 5-0.

Adjournment

Councilman Honeycutt made a MOTION to adjourn. SECONDED by Councilwoman McGriff. Passed 5-0.

Respectfully Submitted:

Approved by Council, November 9, 2015

Brenisha S. Wells
Deputy Clerk to Council

Steve Harper, Secretary

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Agenda Item Summary

Resolution#: 0900-R2015

Contact Person: John Weaver

Department: Planning / County Attorney

Date Requested to be on Agenda: November 9, 2015

Committee: I&R Committee (Favorable Recommendation)

Issue for Consideration: Whether or not it is appropriate to consider favorably this Resolution that waives a requirement in the Development Agreement (DA) with Twelve Mile Creek Land Ventures, LLC that Twelve Mile Creek Road be removed from the county road system?

Points to Consider: The brief Resolution and the accompanying Agreement will detail sufficiently that a waiver of a minor part of the DA became necessary when the developer and the property owners adjacent to Twelve Mile Creek Road initially had differing ideas and opinions on how the situation involving Twelve Mile Creek Road and the residential development of Bent Creek should be addressed. Rather than having a litigated, disputed order decide a previously filed road closure action by the Presiding Judge in the Court of Common Pleas, the parties agreed on a solution to which both the Administrator and the Director of Public Works have voiced their respective approval. The road will remain a public road rather than private, but the developer will take all steps necessary to convert the previously unpaved road to a paved road that meets all current county standards. The passage of the Resolution will evidence the county's agreement to the settlement terms associated with the litigation.

Council Options: Passage or Denial of the Resolution.

Recommendation: The County Attorney recommends approval of the Resolution and associated Waiver.

STATE OF SOUTH CAROLINA

COUNTY OF LANCASTER

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RESOLUTION NO. 0900-R2015

A RESOLUTION

TO APPROVE A WAIVER BY LANCASTER COUNTY OF SECTION 4.04(2)(b) OF A DEVELOPMENT AGREEMENT WITH TWELVE MILE CREEK LAND VENTURE, LLC. ASSOCIATED WITH ORDINANCE NO. 2014-1284.

WHEREAS, on July 14, 2014, Council passed Ordinance No. 2014-1284, local legislation that approved a Development Agreement on 182.12 acre development known as Bent Creek, located along Jim Wilson Road to the southeast of its intersection with Henry Harris road; and

WHEREAS, contained within the Development Agreement, Section 4.04 (a) Roads, subsection (2)(b), the developer agreed with the County to remove Twelve Mile Creek Road (unpaved) from the county road system via appropriate legal measures. Associated with that pledge, developer filed in the Lancaster County Court of Common Pleas a Road Closure Action, Case No. 2014-CP-29-604, among others, Lancaster County and the adjacent property owners; and

WHEREAS, a Resolution of the litigation has been reached between the developer and all adjacent property owners, a copy of the said Agreement being attached hereto and incorporated herein; and

WHEREAS, the terms and conditions of the agreement, likewise, are acceptable to Lancaster County and it is the purpose of this Resolution to so indicate Council's approval and its consent to a waive of Section 4.04 (a) Roads, subsection (2)(b) of the Development Agreement approved by Council through the passage of Ordinance No. 2014-1284.

NOW, THEREFORE, BE IT RESOLVED by the Lancaster County Council that the attached the attached Agreement is joined in by Lancaster County and the prior requirement that the developer privatize Twelve Mile Creek Road hereby is waived.

AND IT IS SO RESOLVED

Dated this ____ day of November, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

(SEAL)

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie Hardin, Clerk to Council

Resolution No. 0900-R2015

Dear Garris and Burt Families:

Pursuant to our meetings and discussions, below is an outline of the general terms under which you and TDON Development, Inc. (on behalf of Twelve Mile Creek Land Ventures, LLC, referred to below as TMC), propose to resolve the pending issues concerning the construction of Twelve Mile Creek Road. We all understand that the terms of our agreement must be approved by the County of Lancaster.

1. The existing Twelve Mile Creek Road (the "Road") which runs through the Bent Creek property, the Burt property and Garris property will be abandoned so that a prescriptive easement for the Road will no longer exist. Then, a new public road as described below will be dedicated to the County by the plat to be recorded for the Bent Creek PUD.
2. The portion of existing Road which runs through the Billy Garris triangle parcel and Bent Creek property adjacent to the triangle parcel will no longer have a prescriptive easement, and Billy Garris will have full use of his property including his existing dirt road. There will no longer be a public or private right of access through these properties other than by the respective owner of each property.
3. The remaining portion of the new Twelve Mile Creek Road that fronts the James Burt, Billy Garris and James Garris properties will be constructed as a thirteen foot road section. The new road section will be an eleven foot paved road and a two foot curbed section. Once constructed, the Burt property and the Garris properties will only be encumbered by the thirteen feet of road and curb. All other utilities and structures will remain as they currently exist within the Burt and Garris properties.
4. Other than the thirteen foot road section described above, the rest of the new construction of the Road will be completely on the Bent Creek property.
5. The Burt and Garris Families will have full rights of access over the newly constructed Road from Henry Harris Road up to the point where it terminates at Twelve Mile Creek. The Road shall continue to be named "Twelve Mile Creek Road," and shall remain a public road which shall be maintained by the County. The Burt and Garris families will have no obligation to contribute expenses for the maintenance of the Road.

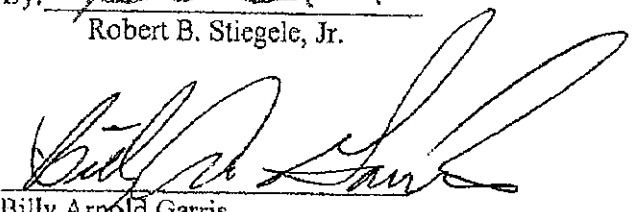
The terms of this agreement among the parties is subject to County approval. At such time as these terms are approved by the County, these terms shall be incorporated in a more formal agreement of which the County shall also be a party. Further, the Parties shall cooperate in obtaining the judicial abandonment of the Road as more specifically set forth above.

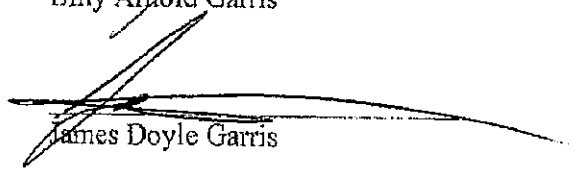
[Signatures on the following page]

TWELVE MILE CREEK LAND VENTURES,
LLC, by RRJ Land/LLC, its Manager

By: 

Robert B. Stiegele, Jr.


Billy Arnold Garriss


James Doyle Garriss


James Phillip Burt, Jr.

The Lancaster News

701 North White Street
PO Box 640
Lancaster, SC 29721
803-283-1133

NOTICE OF PUBLIC HEARING

Lancaster County Council

A public hearing has been scheduled by the Lancaster County Council for Monday, November 9, 2015, at 6:30 p.m. in the Lancaster County Council Chambers, second floor, County Administration Building, 101 North Main Street, Lancaster, South Carolina, or at such other location in or around the complex posted at the main entrance. The purpose of the public hearing is to receive public comment on an ordinance, Ordinance No. 2015-1348, titled "AN ORDINANCE TO AUTHORIZE THE EXECUTION AND DELIVERY OF AMENDMENTS TO A 2010 INCENTIVE AGREEMENT, FEE AGREEMENT, AND INFRASTRUCTURE CREDIT AGREEMENT BY AND AMONG LANCASTER COUNTY, SOUTH CAROLINA, NUTRAMAX MANUFACTURING, INC., NUTRAMAX LABORATORIES, INC., NUTRAMAX PROPERTIES, LLC, NUTRAMAX LAND HOLDINGS, INC., THE CITY OF LANCASTER, AND THE LANCASTER COUNTY ECONOMIC DEVELOPMENT CORPORATION; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO." At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee.

This is to certify that the attached Legal Notice was published in The Lancaster News in the issue of 10/14/15


Notary Public of South Carolina

My Commission Expires February 10, 2020

STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2015-1348

COUNTY OF LANCASTER

)
)

AN ORDINANCE

TO AUTHORIZE THE EXECUTION AND DELIVERY OF AMENDMENTS TO A 2010 INCENTIVE AGREEMENT, FEE AGREEMENT, AND INFRASTRUCTURE CREDIT AGREEMENT BY AND AMONG LANCASTER COUNTY, SOUTH CAROLINA, NUTRAMAX MANUFACTURING, INC., NUTRAMAX LABORATORIES, INC., NUTRAMAX PROPERTIES, LLC, NUTRAMAX LAND HOLDINGS, INC., THE CITY OF LANCASTER, AND THE LANCASTER COUNTY ECONOMIC DEVELOPMENT CORPORATION; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and Determinations.

Council finds and determines that:

a. Lancaster County, South Carolina (the “County”) acting by and through its Council (the “Council”) is authorized and empowered pursuant to the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the “Act”), to enter into fee agreements with any industry, with said agreements identifying certain properties of such industries as economic development property, through which powers the industrial development of the State of South Carolina (the “State”) and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and the County and thus utilize and employ the manpower, products, and natural resources and benefit the general public welfare of the State and County by providing services, employment, or other public benefits not otherwise adequately provided locally;

b. the County is authorized by Sections 4-1-175 and 4-29-68 of the Code of Laws of South Carolina 1976, as amended, to provide special source revenue credits for the purpose of defraying the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving Lancaster County and for improved and unimproved real estate used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of Lancaster County;

c. the County previously recruited a project (the “**Original Project**”) in the County by Nutramax Manufacturing, Inc., Nutramax Laboratories, Inc., Nutramax Properties, LLC, and Nutramax Land Holdings, Inc. (sometimes collectively referred to herein as the “**Company**”);

d. in connection with the Original Project, Nutramax Manufacturing, Inc., Nutramax Laboratories, Inc., the County, the Lancaster County Economic Development Corporation (the “**LCEDC**”), and the City of Lancaster, South Carolina (the “**City**”) entered into a June 7, 2010 Incentive Agreement (the “**Incentive Agreement**”); Nutramax Manufacturing, Inc. and the County entered into a June 28, 2010 Fee Agreement (the “**Fee Agreement**”); and Nutramax Laboratories, Inc., Nutramax Properties, LLC and the County entered into a June 28, 2010 Infrastructure Credit Agreement (the “**Infrastructure Credit Agreement**”) (collectively, the Incentive Agreement, the Fee Agreement, and the Infrastructure Credit Agreement are referred to herein as the “**2010 Agreements**”);

e. pursuant to the 2010 Agreements, the Company agreed to invest \$8.5 million in the Original Project and to create 200 jobs in connection with the Original Project by June 28, 2015;

f. the Company has already invested approximately \$29 million in the Original Project (\$20.5 million in excess of its \$8.5 million investment commitment) and has succeeded in creating 200 jobs in connection with the Original Project;

g. Nutramax Manufacturing, Inc., Nutramax Laboratories, Inc., Nutramax Properties, LLC and Nutramax Land Holdings, Inc., and one or more related corporations and limited liability companies which are now existing or to be formed in the future are considering additional investments, through themselves and/or one or more existing or to-be-formed affiliated or related entities and/or one or more unrelated parties, including third party lessors, in the expansion of a manufacturing facility and related facilities through the acquisition of land, buildings, and improvements thereon (the “**Land and Building**”), the construction of improvements thereon and/or therein, and/or the acquisition of personal property, including, but not limited to, machinery, equipment, and furniture to be installed on and/or in the Land and Building, which are eligible for inclusion under the Act as economic development property, the cost of which is estimated to be \$15 million, along with the creation of 125 new, full-time jobs (the “**New Project**”), all as more fully set forth in the Amendments;

h. the Original Project is presently located at three sites in the County, including one site in the City, and it is presently contemplated that the New Project will be located at one or more of such three sites and/or an additional site in the County, so that all investments and jobs located or to be located at any of those four sites shall be counted and included for purposes of all benefits and requirements set forth in the 2010 Agreements;

i. Council, in order to induce the Company to locate the New Project in the County, adopted, on August 24, 2015, Resolution No. 0883-R2015 (the “**Inducement Resolution**”) to the effect that, if the Company would commit to locate the New Project in the County, the Council would take certain actions and provide certain incentives for the New Project and the Original Project, including entering into amendments to the 2010 Agreements to, among other things, extend the period during which reduced fee-in-lieu of tax payments may be made and extend the period during which the special source revenue credit would apply to the Company’s investments;

j. the parties to the Incentive Agreement agree that all rights and obligations of the LCEDC under the Incentive Agreement have been satisfied and that the Incentive Agreement should now be amended to remove the LCEDC as a party to the Incentive Agreement; and

k. it is the purpose of this ordinance to provide for the approval of the above-referenced amendments and to effectuate the commitments of the County made in the Inducement Resolution.

Section 2. Additional findings and determinations.

Council finds and determines that:

- a. the New Project will constitute a “project” as the term is referred to and defined in the Act, and the County’s actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act;
- b. the New Project and the payments in lieu of taxes set forth herein are beneficial to the County, and the County has evaluated the New Project based upon all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made;
- c. the New 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;
- d. the New Project gives rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either;
- e. the purposes to be accomplished by the New Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes;
- f. the inducement of the location of the New Project within the County and State is of paramount importance; and
- g. the benefits of the New Project to the public will be greater than the costs to the public.

Section 3. Approval of Amendments.

The form, terms, and provisions of the First Amendment to Incentive Agreement, attached hereto as Exhibit A, the First Amendment to Infrastructure Credit Agreement, attached hereto as Exhibit B, and the First Amendment to Fee Agreement, attached hereto as Exhibit C (collectively, the First Amendment to Incentive Agreement, the First Amendment to Infrastructure Credit Agreement, and the First Amendment to Fee Agreement are referred to as the “**Amendments**”), are approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the Amendments were set out in this Ordinance in their entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute and acknowledge the Amendments in the name of and on behalf of the County, and thereupon to cause the Amendments to be delivered to the Company. The Amendments are to be in substantially the form attached hereto and hereby approved, with such changes therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, upon the advice of counsel to the County, such officer’s execution thereof to constitute conclusive evidence of such officer’s approval of any and all changes or revisions therein from the form of the Amendments attached to this ordinance.

Section 4. Cost-Benefit Findings.

Council makes the following findings concerning the costs and benefits of the New Project:

- a. the benefits of providing the incentives arrangement set forth in the Amendments include: (i) investment in personal property and certain real estate improvements of at least \$15,000,000; (ii) an average annual increase in property taxes (FILOT payments) of approximately \$N/A after application of incentives; (iii) construction benefit of \$2,010,000; (iv) facility operation benefit of \$3,929,320; (v) employee benefit of \$46,477; and (vi) visitor benefit of \$0. The total benefit is estimated at \$5,985,797;
- b. the cost of providing the incentives arrangement is estimated at: (i) development costs of \$0; (ii) operational costs of \$267,551; and (iii) employee costs of \$95,878. The total cost is estimated at \$363,429;
- c. the benefit to cost ratio in year one is estimated at \$15.19:1 and after year one at \$9.66:1; and
- d. the value of the FILOT incentive to the Company is estimated at \$1,326,393 and the special source revenue credits at \$376,086.

Section 5. Economic Development Fund.

(A) Council finds that (i) by passage of Ordinance No. 2014-1260, Council created an Economic Development Fund with the intent to make monies available to the fund from new revenues to the County derived from new and expanded businesses and industry, and (ii) the ability to make monies available to the Economic Development Fund can be difficult because of complexities and legalities applicable to fee-in-lieu of tax arrangements and multi-county parks.

(B) It is the intent of Council, in the annual County budget, to appropriate monies to the Economic Development Fund based on the new revenue that the County receives pursuant to the Amendments. Specifically, it is Council's intent to appropriate from the General Fund of the County an amount based on the following formula: Seven percent (7%) times the amount of money received pursuant to the Fee Agreement from the New Project by the County after distribution to other taxing entities in the most recently completed tax year.

Section 6. Authority to act.

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effect the execution and delivery of the Amendments and the performance of all obligations of the County under and pursuant to the Amendments.

Section 7. Severability.

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

Section 8. Controlling Provision.

To the extent that this Ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances and resolutions, the provisions contained in this Ordinance supersede all other provisions and this Ordinance is controlling.

Section 9. Effective date.

This Ordinance is effective upon third reading.

AND IT IS SO ORDAINED, this ____ day of _____, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

Attest:

Debbie C. Hardin, Clerk to Council

First Reading:	October 12, 2015	Passed 7-0
Second Reading:	October 26, 2015	Passed 7-0
Public Hearing:	November 9, 2015	Tentative
Third Reading:	November 9, 2015	Tentative

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Exhibit A to Ordinance No. 2015-1348

**First Amendment to Incentive Agreement
Nutramax**

This FIRST AMENDMENT TO INCENTIVE AGREEMENT (this “**Amendment**”) is dated as of _____, 2015 by and between NUTRAMAX MANUFACTURING, INC., NUTRAMAX LABORATORIES, INC., NUTRAMAX PROPERTIES, LLC, NUTRAMAX LAND HOLDINGS, INC., LANCASTER COUNTY, SOUTH CAROLINA (the “**County**”), a body politic and corporate and a political subdivision of the State of South Carolina, the LANCASTER COUNTY ECONOMIC DEVELOPMENT CORPORATION (“**LCEDC**”), and the CITY OF LANCASTER, SOUTH CAROLINA (the “**City**”) (all of the foregoing entities collectively referred to in this Amendment as the “**Parties**”).

WITNESSETH:

WHEREAS, the County previously recruited a project (the “**Original Project**”) in the County by Nutramax Manufacturing, Inc., Nutramax Laboratories, Inc., Nutramax Properties, LLC, and Nutramax Land Holdings, Inc. (sometimes collectively referred to herein as the “**Company**”);

WHEREAS, in connection with the Original Project, Nutramax Manufacturing, Inc., Nutramax Laboratories, Inc., the County, the LCEDC, and the City entered into a June 7, 2010 Incentive Agreement (the “**Incentive Agreement**”); Nutramax Manufacturing, Inc. and the County entered into a June 28, 2010 Fee Agreement (the “**Fee Agreement**”); and Nutramax Laboratories, Inc., Nutramax Properties, LLC and the County entered into a June 28, 2010 Infrastructure Credit Agreement (the “**Infrastructure Credit Agreement**”) (collectively, the Incentive Agreement, the Fee Agreement, and the Infrastructure Credit Agreement are referred to herein as the “**2010 Agreements**”);

WHEREAS, pursuant to the 2010 Agreements, the Company agreed to invest \$8.5 million in the Original Project and to create 200 jobs in connection with the Original Project by June 28, 2015;

WHEREAS, the Company has already invested approximately \$29 million in the Original Project (\$20.5 million in excess of its \$8.5 million investment commitment) and has succeeded in creating 200 jobs in connection with the Original Project;

WHEREAS, the County recruited an additional investment in the County by the Company of approximately \$15 million and 125 new, full-time jobs (the “**New Project**”);

WHEREAS, the Original Project is presently located at three sites in the County, including one site in the City, and it is presently contemplated that the New Project will be located at one or more of such three sites and/or an additional site in the County, so that all investments and jobs located or to be located at any of those four sites shall be counted and included for purposes of all benefits and requirements set forth in the 2010 Agreements;

WHEREAS, the County Council, in order to induce the Company to locate the New Project in the County, adopted on August 24, 2015, Resolution No. 0883-R2015 (the “**Inducement Resolution**”) to the effect that, if the Company would commit to locate the New Project in the County, the Council would take certain actions and provide certain incentives for the New Project and the Original Project, including

entering into amendments to the 2010 Agreements to, among other things, extend the period during which reduced fee-in-lieu of taxes (“**FILOT**”) payments may be made and extend the period during which the special source revenue credit (“**SSRC**”) would apply to the Company’s investments;

WHEREAS, the City Council, in order to induce the Company to locate a portion of the New Project in the City, passed a September 9, 2015 Motion approving and affirming the County Council’s August 24, 2015 Inducement Resolution;

WHEREAS, the Parties agree that all rights and obligations of the LCEDC under the Incentive Agreement have been satisfied, and the Parties agree that the Incentive Agreement should now be amended to remove the LCEDC as a party thereto; and

WHEREAS, pursuant to Ordinance No. 2015-1348 dated November 9, 2015 (the “**Ordinance**”), the County Council authorized this Amendment, and pursuant to Resolution No. _____ dated _____, 2015, the City Council authorized this Amendment, and the Parties now desire to enter into this Amendment.

NOW, THEREFORE, in consideration of the above and the respective agreements contained in this Amendment, the Parties hereby agree as follows:

1. The Incentive Agreement shall be amended by removing the LCEDC as a party thereto and by adding Nutramax Properties, LLC and Nutramax Land Holdings, Inc. as parties thereto, and such additional parties, together with Nutramax Manufacturing, Inc. and Nutramax Laboratories, Inc., shall be collectively defined therein as the “Company.”

2. Article I of the Incentive Agreement shall be amended by adding the following paragraph at the end of that Article:

As of [insert the effective date of the First Amendment], the Company and the County agree to add to the land and buildings subject to this Agreement prior to [insert the effective date of the First Amendment] the parcel of land located at 1792 Silkies Boulevard, Lancaster, South Carolina (Tax Map No. 0080-00-001.00) together with one or more buildings and personal property located or to be located on such parcel (the “Additional Site”). The incentives and benefits provided to the Company through the MCBP FILOT and SSRC shall apply to the Additional Site. Investments made and jobs created at the Additional Site shall be included in the computations made to determine if the amount of investments and the number of jobs required with respect to any maintenance requirements set forth in this Agreement (including without limitation Article II(c)(ii) and Article IV (b) hereof) have been achieved.

3. Article II of the Incentive Agreement shall be amended by adding new Article II(g) and Article II(h), which shall read as follows:

(g) Notwithstanding anything in Article II(c) hereof to the contrary, the County and the Company agree that as of [insert effective date of Amendment], (i) the Company has satisfied all conditions and requirements imposed by Article II of this Agreement with respect to the 43 Acre Tract, and the County does hereby and, as necessary, shall, terminate, release and/or satisfy, as applicable, any mortgages or other liens that the County may have with respect to the 43 Acre Tract, (ii) the County has satisfied the

conditions and requirements imposed by Article III(a)(vi) of this Agreement to provide a 95% special source revenue credit for the 43 Acre Tract, and (iii) the 50% SSRC referenced in Article III(a)(iii) of this Agreement shall also apply to the Company's FILOT payments on the 43 Acre Tract.

(h) As of December 31, 2014, the parties to this Agreement recognize and agree that Scenario III, as set forth in Article II(b)(iii) hereof, is the applicable scenario for purposes of this Agreement.

4. In Article III(a)(i) of the Incentive Agreement, the reference in clause (v) to "a 30-year term" shall be changed to a reference to "a 40-year term."

5. Article III(a)(iii) of the Incentive Agreement shall be revised and restated to read as follows:

The County agrees to provide an additional SSRC equal to fifty percent (50%) of the Negotiated FILOT and the MCBP FILOT, net of the SSRC as provided in subarticle (ii) above, for all qualifying expenses of the Company under South Carolina law, for a period of ten (10) years as described in the following sentence. This SSRC shall apply to each annual component of the Negotiated FILOT and the MCBP FILOT for a period of ten (10) years for each annual component of investments placed in service by the Company between January 1, 2010 and December 31, 2024, so that for each year's investments placed in service during such period the fifty percent (50%) SSRC shall apply for ten (10) years thereafter. Thus, for example, for investments placed in service by the Company during 2010, the ten (10)-year, 50% SSRC shall apply for years 2011-2020, and for investments placed in service by the Company during 2024, the ten (10)-year, 50% SSRC shall apply for years 2025-2034.

6. Article IV of the Incentive Agreement shall be amended by adding new Article IV(e) and Article IV(f), which shall read as follows:

(e) If, between January 1, 2014 and December 31, 2019 the Company does not invest, in addition to the \$29,000,000 already invested or to be invested (including the \$8,500,000 referenced in Article II(c)(ii) hereof), at least \$15,000,000 (the "**Expansion Investment Minimum**") and does not create, in addition to the 200 jobs already created (as referenced in Article II(c)(ii) hereof), at least 125 new, full-time (i.e., at least thirty (30) hours per week) jobs, (i) with an average hourly wage not less than \$13.15, including overtime, bonuses and all other forms of actual pre-tax and post-tax monetary compensation and (ii) with health care benefits (the "**Expansion Jobs Minimum**"), then the additional 50% SSRC to be provided to the Company pursuant to Article III(a)(iii) hereof with respect to the annual components of investments placed in service during 2020 and subsequent years, shall be reduced by an amount that is proportional to any shortfall by the Company of greater than 10% in achieving the Expansion Investment Minimum and the Expansion Jobs Minimum; provided, however, that an overperformance in either the Expansion Investment Minimum or the Expansion Jobs Minimum shall serve to offset an underperformance in the other category.

(f) As of December 31, 2014, the parties to this Agreement recognize and agree that the Company has met the initial investment, wage and job requirements as set forth in

Articles II(c)(ii) and IV(b) hereof within the five (5)-year period referenced therein. The Company recognizes and agrees that the maintenance requirement set forth in Articles II(c)(ii) and IV(b) hereof continues to apply as set forth therein.

7. This Amendment controls over any contrary or inconsistent provision of the Incentive Agreement. Every provision of the Incentive Agreement not amended or modified by the terms of this Amendment shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment, as of the date first above written.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

Attest:

Debbie C. Hardin, Clerk to Council

ADDITIONAL SIGNATURES FOLLOW ON NEXT PAGE.

NUTRAMAX MANUFACTURING, INC.

By: _____
Name: _____
Title: _____

NUTRAMAX LABORATORIES, INC.

By: _____
Name: _____
Title: _____

NUTRAMAX PROPERTIES, LLC

By: _____
Name: _____
Title: _____

NUTRAMAX LAND HOLDINGS, INC.

By: _____
Name: _____
Title: _____

LANCASTER COUNTY ECONOMIC DEVELOPMENT
CORPORATION (hereby removing itself as a party to the
Incentive Agreement)

By: _____
Name: _____
Title: _____

CITY OF LANCASTER, SOUTH CAROLINA

By: _____
Name: _____
Title: _____

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Exhibit B to Ordinance No. 2015-1348

**First Amendment to Infrastructure Credit Agreement
Nutramax**

This FIRST AMENDMENT TO INFRASTRUCTURE CREDIT AGREEMENT (this “**Amendment**”) is dated as of November 9, 2015 by and between LANCASTER COUNTY, SOUTH CAROLINA (the “**County**”), a body politic and corporate and a political subdivision of the State of South Carolina, NUTRAMAX MANUFACTURING, INC., NUTRAMAX LABORATORIES, INC., NUTRAMAX PROPERTIES, LLC and NUTRAMAX LAND HOLDINGS, INC. (all of the foregoing entities collectively referred to in this Amendment as the “**Parties**”).

WITNESSETH:

WHEREAS, the County previously recruited a project (the “**Original Project**”) in the County by Nutramax Manufacturing, Inc., Nutramax Laboratories, Inc., Nutramax Properties, LLC, and Nutramax Land Holdings, Inc. (sometimes collectively referred to herein as the “**Company**”);

WHEREAS, in connection with the Original Project, Nutramax Manufacturing, Inc., Nutramax Laboratories, Inc., the County, the Lancaster County Economic Development Corporation, and the City of Lancaster, South Carolina (the “**City**”) entered into a June 7, 2010 Incentive Agreement (the “**Incentive Agreement**”); Nutramax Manufacturing, Inc. and the County entered into a June 28, 2010 Fee Agreement (the “**Fee Agreement**”); and Nutramax Laboratories, Inc., Nutramax Properties, LLC and the County entered into a June 28, 2010 Infrastructure Credit Agreement (the “**Infrastructure Credit Agreement**”) (collectively, the Incentive Agreement, the Fee Agreement, and the Infrastructure Credit Agreement are referred to herein as the “**2010 Agreements**”);

WHEREAS, pursuant to the 2010 Agreements, the Company agreed to invest \$8.5 million in the Original Project and to create 200 jobs in connection with the Original Project by June 28, 2015;

WHEREAS, the Company has already invested approximately \$29 million in the Original Project (\$20.5 million in excess of its \$8.5 million investment commitment) and has succeeded in creating 200 jobs in connection with the Original Project;

WHEREAS, the County recruited an additional investment in the County by the Company of approximately \$15 million and 125 new, full-time jobs (the “**New Project**”);

WHEREAS, the Original Project is presently located at three sites in the County, including one site in the City, and it is presently contemplated that the New Project will be located at one or more of such three sites and/or an additional site in the County, so that all investments and jobs located or to be located at any of those four sites shall be counted and included for purposes of all benefits and requirements set forth in the 2010 Agreements;

WHEREAS, the County Council, in order to induce the Company to locate the New Project in the County, adopted on August 24, 2015, Resolution No. 0883-R2015 (the “**Inducement Resolution**”) to the effect that, if the Company would commit to locate the New Project in the County, the Council would take certain actions and provide certain incentives for the New Project and the Original Project, including entering into amendments to the 2010 Agreements to, among other things, extend the period during which

reduced fee-in-lieu of taxes (“**FILOT**”) payments may be made and extend the period during which the special source revenue credit (“**SSRC**”) would apply to the Company’s investments;

WHEREAS, the City Council, in order to induce the Company to locate a portion of the New Project in the City, passed a September 9, 2015 Motion approving and affirming the County Council’s August 24, 2015 Inducement Resolution; and

WHEREAS, pursuant to Ordinance No. 2015-1348 dated _____, 2015 (the “**Ordinance**”), the County Council authorized this Amendment, and pursuant to Resolution No. _____ dated _____, 2015, the City Council authorized the Incentive Agreement Amendment and consented to the FILOT and SSRC modifications referenced above with respect to the City site, and the Parties now desire to enter into this Amendment.

NOW, THEREFORE, in consideration of the above and the respective agreements contained in this Amendment, the Parties hereby agree as follows:

1. The Infrastructure Credit Agreement shall be amended by adding Nutramax Manufacturing, Inc. and Nutramax Land Holdings, Inc. as parties thereto, and such additional parties, together with Nutramax Laboratories, Inc. and Nutramax Properties, Inc., shall be collectively defined therein as the “Company.”

2. Exhibit A to the Infrastructure Credit Agreement shall be amended by adding at the end of the exhibit:

“PARCEL D:

1792 Silkies Boulevard, Lancaster, South Carolina
Tax Map No. 0080-00-001.00”

3. The third paragraph of Section 3.02(a) of the Infrastructure Credit Agreement is revised and restated to read as follows:

The third component of the SSRC is an annual credit equal to fifty percent (50%) of the Lancaster Fee Payments each year for ten years (net of the first and second components of the Special Source Revenue Credits) for each annual component of property that the Company places in service between January 1, 2010 and December 31, 2024. Thus, for example, for each annual component of property placed in service by the Company during 2010, the ten-year, 50% SSRC shall apply for years 2011-2020, and for each annual component of property placed in service by the Company during 2024, the ten-year, 50% SSRC shall apply for years 2025-2034.

4. Section 3.03 of the Infrastructure Credit Agreement shall be amended by adding new subsections (e) and (f), which shall read as follows:

(e) If, between January 1, 2014 and December 31, 2019 the Company does not invest, in addition to the \$29,000,000 already invested or to be invested (including the \$8,500,000 referenced in Section 3.03(a) hereof), at least \$15,000,000 (the “**Expansion Investment Minimum**”) and does not create, in addition to the 200 jobs already created (as referenced in Section 3.03(a) hereof), at least 125 new, full-time (i.e., at least thirty (30)

hours per week) jobs, (i) with an average hourly wage not less than \$13.15, including overtime, bonuses and all other forms of actual pre-tax and post-tax monetary compensation and (ii) with health care benefits (the “**Expansion Jobs Minimum**”), then the additional 50% SSRC to be provided to the Company pursuant to Section 3.02(a) hereof with respect to the annual components of investments placed in service during 2020 and subsequent years, shall be reduced by an amount that is proportional to any shortfall by the Company of greater than 10% in achieving the Expansion Investment Minimum and the Expansion Jobs Minimum; provided, however, that an overperformance in either the Expansion Investment Minimum or the Expansion Jobs Minimum shall serve to offset an underperformance in the other category.

(f) As of December 31, 2014, the parties to this Agreement recognize and agree that the Company has met the initial investment, wage and job requirements as set forth in Section 3.03(a) hereof within the five (5)-year period referenced therein. The Company recognizes and agrees that the maintenance requirement set forth in Section 3.03(b) hereof continues to apply as set forth therein.

5. This Amendment controls over any contrary or inconsistent provision of the Infrastructure Credit Agreement. Every provision of the Infrastructure Credit Agreement not amended or modified by the terms of this Amendment shall remain unchanged and in full force and effect.

SIGNATURES FOLLOW ON NEXT PAGE.

IN WITNESS WHEREOF, the Parties have executed this Amendment, as of the date first above written.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

Attest:

Debbie C. Hardin, Clerk to Council

NUTRAMAX MANUFACTURING, INC.

By: _____
Name: _____
Title: _____

NUTRAMAX LABORATORIES, INC.

By: _____
Name: _____
Title: _____

NUTRAMAX PROPERTIES, LLC

By: _____
Name: _____
Title: _____

NUTRAMAX LAND HOLDINGS, INC.

By: _____
Name: _____
Title: _____

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Exhibit C to Ordinance No. 2015-1348

**First Amendment to Fee Agreement
Nutramax**

This FIRST AMENDMENT TO FEE AGREEMENT (this “**Amendment**”) is dated as of _____, 2015 by and between NUTRAMAX MANUFACTURING, INC., NUTRAMAX LABORATORIES, INC., NUTRAMAX PROPERTIES, LLC, NUTRAMAX LAND HOLDINGS, INC. and LANCASTER COUNTY, SOUTH CAROLINA (the “**County**”), a body politic and corporate and a political subdivision of the State of South Carolina (the foregoing entities collectively referred to in this Amendment as the “**Parties**”).

WITNESSETH:

WHEREAS, the County previously recruited a project (the “**Original Project**”) in the County by Nutramax Manufacturing, Inc., Nutramax Laboratories, Inc., Nutramax Properties, LLC, and Nutramax Land Holdings, Inc. (sometimes collectively referred to herein as the “**Company**”);

WHEREAS, in connection with the Original Project, Nutramax Manufacturing, Inc., Nutramax Laboratories, Inc., the County, the Lancaster County Economic Development Corporation, and the City of Lancaster, South Carolina (the “**City**”) entered into a June 7, 2010 Incentive Agreement (the “**Incentive Agreement**”); Nutramax Manufacturing, Inc. and the County entered into a June 28, 2010 Fee Agreement (the “**Fee Agreement**”); and Nutramax Laboratories, Inc., Nutramax Properties, LLC and the County entered into a June 28, 2010 Infrastructure Credit Agreement (the “**Infrastructure Credit Agreement**”) (collectively, the Incentive Agreement, the Fee Agreement, and the Infrastructure Credit Agreement are referred to herein as the “**2010 Agreements**”);

WHEREAS, pursuant to the 2010 Agreements, the Company agreed to invest \$8.5 million in the Original Project and to create 200 jobs in connection with the Original Project by June 28, 2015;

WHEREAS, the Company has already invested approximately \$29 million in the Original Project (\$20.5 million in excess of its \$8.5 million investment commitment) and has succeeded in creating 200 jobs in connection with the Original Project;

WHEREAS, the County recruited an additional investment in the County by the Company of approximately \$15 million and 125 new, full-time jobs (the “**New Project**”);

WHEREAS, the Original Project is presently located at three sites in the County, including one site in the City, and it is presently contemplated that the New Project will be located at one or more of such three sites and/or an additional site in the County, so that all investments and jobs located or to be located at any of those four sites shall be counted and included for purposes of all benefits and requirements set forth in the 2010 Agreements;

WHEREAS, the County Council, in order to induce the Company to locate the New Project in the County, adopted on August 24, 2015, Resolution No. 0883-R2015 (the “**Inducement Resolution**”) to the effect that, if the Company would commit to locate the New Project in the County, the Council would take certain actions and provide certain incentives for the New Project and the Original Project, including entering into amendments to the 2010 Agreements to, among other things, extend the period during which

reduced fee-in-lieu of taxes (“FILOT”) payments may be made and extend the period during which the special source revenue credit (“SSRC”) would apply to the Company’s investments;

WHEREAS, the City Council, in order to induce the Company to locate a portion of the New Project in the City, passed a September 9, 2015 Motion approving and affirming the County Council’s August 24, 2015 Inducement Resolution; and

WHEREAS, pursuant to Ordinance No. 2015-1348 dated _____, 2015 (the “Ordinance”), the County Council authorized this Amendment, and pursuant to Resolution No. _____ dated _____, 2015, the City Council authorized the Incentive Agreement Amendment and consented to the FILOT and SSRC modifications referenced above with respect to the City site, and the Parties now desire to enter into this Amendment.

NOW, THEREFORE, in consideration of the above and the respective agreements contained in this Amendment, the Parties hereby agree as follows:

1. The Fee Agreement shall be amended by adding Nutramax Laboratories, Inc., Nutramax Properties, LLC and Nutramax Land Holdings, Inc. as parties thereto, and such additional parties, together with Nutramax Manufacturing, Inc., shall be collectively defined therein as the “Company.”

2. Exhibit A to the Fee Agreement shall be amended by adding at the end of the exhibit:

“PARCEL D:

1792 Silkies Boulevard, Lancaster, South Carolina
Tax Map No. 0080-00-001.00”

3. In Section 1.1 of the Fee Agreement, the definition of “Termination Date” shall be amended by revising the references to “29th year” to read “39th year” and by revising the reference to “30 annual FILOT payments” to read “40 annual FILOT payments.”

4. Section 4.1(a), Step 2, of the Fee Agreement shall be amended by revising the reference to “29 years” to read “39 years.”

5. Section 4.1(c)(1) of the Fee Agreement shall be amended and restated to read as follows:

The County agrees that all qualifying capital expenses of the Company between January 1, 2010 and December 31, 2024 shall qualify for an Infrastructure Credit equal to 50% of the FILOT payments arising under this Agreement for ten years. This Infrastructure Credit shall apply to each annual component of the property placed in service between January 1, 2010 and December 31, 2024 for a period of ten years, beginning the year after each such component is placed in service. Thus, for example, for property placed in service during 2010, the 10-year, 50% SSRC shall apply for years 2011-2020, and for property placed in service during 2024, the 10-year, 50% SSRC shall apply for years 2025-2034. The Infrastructure Credit shall be applied as a setoff against the FILOT owed for the then current year and shall apply against the entire FILOT payment due, including any portions that may be allocable to any municipality or school district.

6. Section 4.2 of the Fee Agreement shall be amended by adding new subsections (f) and (g), which shall read as follows:

(f) If, between January 1, 2014 and December 31, 2019 the Company does not invest, in addition to the \$29,000,000 already invested or to be invested (including the \$8,500,000 referenced in Section 4.2(b) hereof), at least \$15,000,000 (the “**Expansion Investment Minimum**”) and does not create, in addition to the 200 jobs already created (as referenced in Section 4.2(b) hereof), at least 125 new, full-time (i.e., at least thirty (30) hours per week) jobs, (i) with an average hourly wage not less than \$13.15, including overtime, bonuses and all other forms of actual pre-tax and post-tax monetary compensation and (ii) with health care benefits (the “**Expansion Jobs Minimum**”), then the additional 50% SSRC to be provided to the Company pursuant to Section 4.1(c)(1) hereof with respect to the annual components of investments placed in service during 2020 and subsequent years, shall be reduced by an amount that is proportional to any shortfall by the Company of greater than 10% in achieving the Expansion Investment Minimum and the Expansion Jobs Minimum; provided, however, that an overperformance in either the Expansion Investment Minimum or the Expansion Jobs Minimum shall serve to offset an underperformance in the other category.

(g) As of December 31, 2014, the parties to this Agreement recognize and agree that the Company has met the initial investment, wage and job requirements as set forth in Section 4.2(b) hereof within the five (5)-year period referenced therein. The Company recognizes and agrees that the maintenance requirement set forth in Section 4.2(c) hereof continues to apply as set forth therein.

7. This Amendment controls over any contrary or inconsistent provision of the Fee Agreement. Every provision of the Fee Agreement not amended or modified by the terms of this Amendment shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first above written.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

Attest:

Debbie C. Hardin, Clerk to Council

ADDITIONAL SIGNATURES FOLLOW ON NEXT PAGE.

NUTRAMAX MANUFACTURING, INC.

By: _____
Name: _____
Title: _____

NUTRAMAX LABORATORIES, INC.

By: _____
Name: _____
Title: _____

NUTRAMAX PROPERTIES, LLC

By: _____
Name: _____
Title: _____

NUTRAMAX LAND HOLDINGS, INC.

By: _____
Name: _____
Title: _____

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~#4850-0539-1393 v.10~

The Lancaster News

701 North White Street
PO Box 640
Lancaster, SC 29721
803-283-1133

NOTICE OF A PUBLIC HEARING PRIOR TO FINAL ACTION BY THE COUNTY COUNCIL OF LANCASTER COUNTY TO ENTER INTO AN ORDINANCE

Notice is hereby given by the County Council of Lancaster County, (the "County Council") that a public hearing for the below-referenced Ordinance will be held at the Council Chambers of the County Council, 101 North Main Street, 2nd Floor of County Administration Building, Lancaster, South Carolina, at 6:30 p.m. on November 6, 2015 in conjunction with a regularly scheduled meeting of the County Council. Such Ordinance is titled as follows: "AN ORDINANCE AUTHORIZING (I) THE TRANSFER OF A FEE IN LIEU OF TAX ("FILOT") ARRANGEMENT BETWEEN LANCASTER COUNTY, SOUTH CAROLINA ("COUNTY"), AND THE GILLETTE COMPANY, AS SUCCESSOR TO DURACELL, INC. ("GILLETTE"), UNDER TITLE 4, CHAPTER 29 OF THE CODE OF LAWS OF SOUTH CAROLINA (1976), AS AMENDED, TO AN ARRANGEMENT UNDER TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA (1976), AS AMENDED; AND OTHER MATTERS RELATED THERETO; AND (II) THE ASSIGNMENT OF THREE (3) FILOT ARRANGEMENTS BETWEEN GILLETTE AND THE COUNTY TO DURACELL MANUFACTURING, INC." Subject to the normal rules of County Council regarding appearances, members of the public are invited to attend and make comment concerning the proposed Ordinance. If special accommodations are needed to participate in the public hearing, contact the Lancaster County Council office at (803) 285-3381 or dhardin@lancastercountysc.net at least 48 hours prior to the scheduled meeting date.

By order of the County Council of Lancaster County, South Carolina:
388-128-1W-Haynesworth-
BUI

This is to certify that the attached Legal Notice was published in The Lancaster News in the issue of 10/21/15


Notary Public of South Carolina

My Commission Expires February 10, 2020

STATE OF SOUTH CAROLINA
COUNTY OF LANCASTER

)
)
)

ORDINANCE NO. 2015-1377

AN ORDINANCE

AUTHORIZING AND APPROVING THE TRANSFER OF A FEE IN LIEU OF TAX ARRANGEMENT BETWEEN LANCASTER COUNTY, SOUTH CAROLINA, AND THE GILLETTE COMPANY, AS SUCCESSOR TO DURACELL INC., UNDER TITLE 4, CHAPTER 29 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, TO AN ARRANGEMENT UNDER TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; AUTHORIZING AND APPROVING THE ASSIGNMENT OF THREE FEE IN LIEU OF TAX ARRANGEMENTS BETWEEN THE GILLETTE COMPANY AND THE COUNTY TO DURACELL MANUFACTURING, INC.; AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and determinations; Purpose.

(A) The Council finds and determines that:

(1) Lancaster County (the "County") and The Gillette Company (successor in interest to Duracell Inc.) (the "Company") entered into an Inducement Agreement and Millage Rate Agreement dated January 26, 1998 (the "Inducement Agreement"), a Lease Agreement dated as of June 1, 1998 (the "Lease Agreement"), a Memorandum of Lease and Option to Purchase dated as of June 26, 1998 (the "Memorandum of Lease"), an Indenture dated as of June 1, 1998 (the "Indenture"), and an Escrow Agreement among the Company, the County and Haynsworth, Marion, McKay & Guerard, L.L.P. dated as of June 1, 1998 (the "Escrow Agreement") and other documents, pursuant to which certain property and improvements, including machinery and equipment, fixtures, and other personal property (collectively the "Project") were conveyed to the County and leased back to the Company under a fee-in-lieu of taxes ("FILOT") arrangement under Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Title Act");

(2) the County is authorized by Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended (the "Non-Title Act"), to enter into a Fee Agreement with companies to induce such companies to locate in the State of South Carolina;

(3) Section 12-44-170(B) of the Non-Title Act provides for an election by an entity with property subject to an existing FILOT under the Title Act to transfer its FILOT arrangement under the Title Act to a substantially similar arrangement under the Non-Title Act;

(4) the Company has requested that the County consent to its election to transfer the Company's FILOT arrangement under the Title Act to a substantially similar arrangement under the Non-Title Act;

(5) the Company has caused to be prepared and presented to Council the form of a Fee Agreement between the Company and the County for the purpose of meeting the requirements under the Non-Title Act (the "1998 Fee Agreement");

(6) the 1998 Fee Agreement provides that the Company continues to be liable for payments of fees in lieu of taxes as calculated under the Lease Agreement;

(7) the 1998 Fee Agreement, attached to this ordinance, is in appropriate form and is an appropriate instrument to be approved, executed, and delivered by the County for the purposes intended;

(8) such other documents as attached to this ordinance, including, but not limited to, a Title to Real Estate, a Bill of Sale, an Agreement to Terminate Lease Agreement, Indenture, Industrial Revenue Bonds, and Escrow Agreement, an Agreement for the Termination of Memorandum of Lease and Option to Purchase and Indenture, are all in appropriate form and are appropriate instruments to be approved, executed, and delivered by the County for the purposes intended; and

(9) the Company has also requested the County's consent to the transfer of all of its existing FILOT arrangements including the 1998 Fee Agreement, the Fee Agreement dated as of October 27, 2008 (the "2008 Fee Agreement") , and the Fee Agreement dated as of June 23, 2014 (the "2014 Fee Agreement") and all assets subject to a FILOT in the County (collectively, the "Duracell Assets") to Duracell Manufacturing, Inc. ("DMI") in connection with the divestiture of the Duracell Assets to Berkshire Hathaway, Inc. (the "Proposed Transaction").

B. It is the purpose of this ordinance to provide for the approval of the above-referenced requests of the Company.

Section 2. Additional findings and determinations.

Council makes the following additional findings and determinations for purposes of the 1998 Fee Agreement, the 2008 Fee Agreement, the 2014 Fee Agreement, the transfer of the Duracell Assets, and the request for the transfer of the FILOT under the Title Act to a FILOT under the Non-Title Act:

(a) The Project will constitute a "project" as the term is referred to and defined in the Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Title Act.

(b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County, and the County has evaluated the Project based upon all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made.

(c) 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.

(d) The Project gives rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either.

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

(f) The benefits of the Project to the public will be greater than the costs to the public.

Section 3. **Approval of transfer of FILOT arrangement.**

To the extent necessary and required, the County, pursuant to the Non-Title Act, hereby expressly recognizes, consents to, approves, and ratifies for any and all purposes the transfer of the FILOT arrangement provided in the Lease Agreement with the Company under the Title Act to a FILOT arrangement under the Non-Title Act.

Section 4. **Consent to transfer of title and cancellation of agreements.**

In accordance with the Title Act and the Lease Agreement, the County consents to the transfer of title to all property both real and personal back to the Company and to the cancellation of the Lease Agreement and the Memorandum of Lease and Option to Purchase (to the extent said agreements are not cancelled by operation of law) without payment or penalty to the County under any such agreements, subject to the terms of the Agreement to Terminate Lease Agreement, Indenture, Industrial Revenue Bonds, and Escrow Agreement, the Agreement for the Termination of the Memorandum of Lease and Option to Purchase and Indenture, and the terms of the 1998 Fee Agreement.

Section 5. **Approval of documents.**

The form, terms, and provisions of (i) the 1998 Fee Agreement, attached hereto as Exhibit A; (ii) the Title to Real Estate, attached hereto as Exhibit B; (iii) the Bill of Sale, attached hereto as Exhibit C; (iv) the Agreement to Terminate Lease Agreement, Indenture, Industrial Revenue Bonds, and Escrow Agreement, attached hereto as Exhibit D; and (v) the Termination of Memorandum of Lease and Option to Purchase and Indenture, attached hereto as Exhibit E (collectively, Exhibits A, B, C, D and E are referred to as the "Documents") are approved. All of the terms, provisions, and conditions of the Documents are incorporated into this ordinance by reference as fully as if the Documents were set out in this ordinance in their entirety. The Council Chair and Council Secretary are each, individually, authorized, empowered, and directed to acknowledge, execute, and deliver the Documents to the Company. The Documents are to be in substantially the form as attached to this ordinance and hereby approved, with such changes therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, upon the advice of counsel to the County, such officer's execution thereof to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form of the Documents attached to this ordinance.

Section 6. **Authority to act.**

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effect the execution and delivery of the Documents and the performance of all obligations of the County under and pursuant to the Documents. The County agrees to take such other actions as may be reasonably necessary to achieve the purposes stated in this ordinance and reasonably requested by the Company to evidence the consent, approval, and ratification of these matters described in this Ordinance.

Section 7. Consent of transfer to DMI.

The County consents to the transfer of all of the Duracell Assets, including the 1998 Fee Agreement, the 2008 Fee Agreement, and the 2014 Fee Agreement, by the Company to DMI and/or its subsidiaries upon closing of the Proposed Transaction.

Section 8. Severability.

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 9. Controlling Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 10. Effective Date.

This ordinance is effective upon third reading.

AND IT IS SO ORDAINED, this 9th day of November, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

First Reading:	October 12, 2015	Passed 7-0
Second Reading:	October 26, 2015	Passed 7-0
Public Hearing:	November 9, 2015	Tentative
Third Reading:	November 9, 2015	Tentative

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Exhibit A to Ordinance No. 2015-1377

**1998 Fee Agreement
Lancaster County and The Gillette Company, as successor to Duracell Inc.**

See attached.

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Exhibit A to Ordinance No. 2015-1377

FEE AGREEMENT

between

LANCASTER COUNTY, SOUTH CAROLINA

and

THE GILLETTE COMPANY,
AS SUCCESSOR TO DURACELL INC.

_____, 2015
Effective December 1, 1997

Transferring property under the fee in lieu of tax arrangement provided for in the Lease Agreement between Lancaster County, South Carolina and Duracell Inc., a Delaware corporation, dated as of June 1, 1998, to a fee agreement under Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended, to be effective as of December 1, 1997.

RECAPITULATION OF CONTENTS OF
FEE AGREEMENT PURSUANT TO S.C. CODE ANN. § 12-44-55(A)

The parties have agreed to waive this requirement pursuant to S.C. Code Ann. § 12-44-55(B).

FEE AGREEMENT

This FEE AGREEMENT (the "Agreement") made and entered into this ____ day of _____, 2015, to be effective as of the 1st day of December, 1997 ("Effective Date"), by and between LANCASTER COUNTY, SOUTH CAROLINA (hereinafter referred to as the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, and THE GILLETTE COMPANY, AS SUCCESSOR TO DURACELL INC., a corporation duly organized and existing under the laws of the State of Delaware and authorized to do business in the State of South Carolina (hereinafter referred to as the "Company").

WITNESSETH:

WHEREAS, the County and the Company entered into an Inducement Agreement and Millage Rate Agreement dated January 26, 1998 (the "Inducement Agreement"), a Lease Agreement dated as of June 1, 1998 (the "Lease Agreement"), a Memorandum of Lease and Option to Purchase dated as of June 26, 1998 (the "Memorandum of Lease"), an Indenture dated as of June 1, 1998 (the "Indenture"), and an Escrow Agreement among the Company, the County and Haynsworth, Marion, McKay & Guerard, L.L.P. dated as of June 1, 1998 (the "Escrow Agreement") and other documents, pursuant to which certain property and improvements, including machinery and equipment, fixtures, and other personal property (collectively the "Project") were conveyed to the County and leased back to the Company under a fee-in-lieu of taxes ("FILOT") arrangement under Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Title Act"); and

WHEREAS, the County is authorized by Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended (the "Non-Title Act"), to enter into a Fee Agreement with companies to induce such companies to locate in the State of South Carolina; and

WHEREAS, Section 12-44-170(B) of the Non-Title Act provides for an election by an entity with property subject to a FILOT arrangement under the Title Act to transfer its FILOT arrangement under the Title Act to a substantially similar arrangement under the Non-Title Act; and

WHEREAS, the Company has requested that the County consent to its election to transfer the Company's FILOT arrangement under the Title Act to a substantially similar arrangement under the Non-Title Act; and

WHEREAS, pursuant to Ordinance No. 2015-____, enacted by the County on _____, 2015 (the "Ordinance"), the County has consented to the transfer of the FILOT arrangement under the Title Act to a FILOT arrangement under the Non-Title Act and to the execution of a Fee Agreement and all other documents necessary to evidence the transfer; and

WHEREAS, the County has found that: (a) the Project (as defined herein) 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 gives rise to no pecuniary liability of the County or any incorporated municipality and to no charge against its general credit or taxing power; (c) the purposes to be accomplished by the

Project are proper governmental and public purposes; and (d) the benefits of the Project are greater than the costs.

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

ARTICLE 1

DEFINITIONS

SECTION 1.1 Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings unless the context or use indicates another or different meaning or intent.

“Act” or “Non-Title Act” shall mean Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended.

“Administration Expenses” means the reasonable and necessary out-of-pocket expenses, including attorneys’ fees, incurred by the County with respect to: (i) the preparation, review, approval and execution of this Agreement, (ii) the preparation, review, approval and execution of other documents related to the Agreement and any multi-county park documents, including, but not limited to, any and all documents related to the transfer of the FILOT arrangement provided for in the Lease Agreement between Lancaster County, South Carolina and Duracell Inc., a Delaware corporation, dated as of June 1, 1998, to this Agreement; and (iii) the fulfillment of its obligations under this Agreement and any multi-county park documents, and in the implementation and administration of the terms and provisions of the documents after the date of execution thereof, but only in each case if such are incurred as a result of a request by the Company for a modification, assignment, or a termination of such documents by the Company, or as a result of a bankruptcy of the Company or a default by the Company under the terms of the aforementioned documents.

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

“Completed Segment” shall mean a segment of the Project completed after the date of the Inducement Agreement and up to the Minimum Investment Date.

“Cost” or “Cost of the Project” shall mean the cost of acquiring, by construction and purchase, the Project and shall be deemed to include, whether incurred prior to or after the Effective Date: (a) obligations of the Company incurred for labor, materials and other expenses to contractors, builders and materialmen in connection with the acquisition, construction and installation of the Project; (b) the cost of contract bond and of insurance of all kinds that may be required or necessary during the course of construction of the Project, which are not paid by the contractor or contractors or otherwise provided for; (c) the expenses of the Company for test borings, surveys, test and pilot operations, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or reasonably necessary in connection with the acquisition, construction and installation of the Project; (d) all other costs which the Company shall be required to pay

under the terms of any contract or contracts for the acquisition, construction and installation of the Project; (e) costs incurred by the Company for the acquisition of an interest in the land upon which the Project is located; and (f) any sums required to reimburse the Company for advances made by it for any of the above items, or for any other work done and costs incurred by the Company which are for the acquisition of land or property of a character subject to the allowance for depreciation provided for under Section 167 of the Internal Revenue Code of 1986, as amended, and included in the Project.

“Company” shall mean The Gillette Company, a Delaware corporation and successor in interest to Duracell Inc. and any surviving, resulting or transferee corporation in any merger, consolidation or transfer of assets as permitted under the Act.

“County” shall mean Lancaster County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina.

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

“Default” shall mean an event or condition, the occurrence of which would, with the lapse of time or the giving of notice or both, become an Event of Default as defined in Section 11.1 hereof.

“Department” means the South Carolina Department of Revenue or its successor entity.

“Equipment” shall have the meaning ascribed to it in Section 6.2 of this Agreement.

“Land” shall mean the real estate described in Exhibit A attached hereto.

“Minimum Investment Date” shall mean the date five (5) years from the end of the property tax year from which this Agreement is effective, as such date may have been extended from time to time.

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

“Plans and Specifications” shall mean the plans and specifications prepared for the Project, on file at the Company’s office, as the same may be implemented and detailed from time to time and as the same may be revised from time to time prior to the completion of the acquisition, construction and installation of the Project in accordance with Section 4.3 hereof.

“Project” shall mean (i) all buildings and appurtenances which are presently under construction or are or have been constructed on the Land as of the Effective Date hereof, as they may at any time exist, including any air conditioning and heating systems (which shall be deemed fixtures); (ii) all buildings, structures, and appurtenances located on the Land; (iii) all machinery, equipment, furniture, fixtures or personal property located on the Land; (iv) all other machinery, equipment, other fixtures or personal property which is installed in or on the equipment described in clause (ii) or in the foregoing buildings or on the Land in substitution or replacement of parts of such equipment; and (v) any personal property acquired hereafter which

becomes so attached, integrated or affixed to any item described in the foregoing clauses (i), (ii), (iii) or (iv) that it cannot be removed without impairing the operating utility of such item as originally designed or damaging such item.

“Term” shall mean the duration of this Agreement as set forth in Section 5.1.

SECTION 1.2 References to Agreement. The words “hereof”, “herein”, “hereunder” and other words of similar import refer to this Agreement as a whole.

ARTICLE 2

REPRESENTATIONS AND COVENANTS

SECTION 2.1 Representations and Warranties by County. The County represents and warrants that: (i) it is a body politic and corporate and a political subdivision of the State; (ii) it is authorized by the Act to enter into this Fee Agreement; (iii) it has approved this Fee Agreement in accordance with the procedural requirements of the Act and any other applicable state law; and (iv) it has authorized its officials to execute and deliver this Fee Agreement.

SECTION 2.2 Representations and Warranties by Company. (a) The Company represents and warrants that it: (i) is or will be validly existing and in good standing under the laws of the state of organization or incorporation; (ii) is or will be authorized to transact business in the State of South Carolina; (iii) has the power to enter into this Fee Agreement; (iv) has by proper action approved this Fee Agreement; and (v) has authorized its officials to execute and deliver this Fee Agreement.

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

ARTICLE 3

[RESERVED]

ARTICLE 4

ACQUISITION BY CONSTRUCTION AND PURCHASE OF PROJECT; REVISION OF PLANS AND SPECIFICATIONS; AMENDMENTS TO EXHIBITS

SECTION 4.1 Acquisition by Construction and Purchase of Project. The Company hereby agrees to acquire by construction and purchase the Project in accordance with the Plans and Specifications and to acquire by construction and purchase all other things deemed necessary by the Company in connection with the Project. The Company agrees to maintain such records in connection with the acquisition by construction and purchase of the Project as to permit ready identification thereof. The Company represents and warrants that it expended for the acquisition

and expansion of the Project not less than \$45,000,000 within five (5) years from the Effective Date.

SECTION 4.2 [RESERVED]

SECTION 4.3 Revision of Plans and Specifications. The Company may revise the Plans and Specifications at any time and from time to time.

SECTION 4.4 [RESERVED]

SECTION 4.5 [RESERVED]

SECTION 4.6 [RESERVED]

ARTICLE 5

TERM

SECTION 5.1 Term. Subject to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect beginning on the Effective Date and ending on December 31, 2022, unless sooner terminated as herein permitted.

SECTION 5.2 Administration Expenses; Indemnification Payments. (A) The Company agrees to reimburse the County from time to time for its Administrative Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administrative Expenses.

(B) The Company agrees to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual payment in lieu of taxes to be made pursuant to this Agreement, *provided, however*, the maximum annual reimbursement pursuant to this subsection is capped at one thousand dollars (\$1000.00).

(C) The Company agrees to pay indemnification payments, as provided pursuant to Sections 8.10 and 8.15 of this Agreement, when and as they shall become due, but in no event later than thirty (30) days after receiving written notice from the County.

(D) In the event Company should fail to make any of the payments required in this Section 5.2, the item so in Default shall continue as an obligation of the Company until the amount in Default shall have been fully paid, and the Company agrees to pay the same with interest thereon (to the extent permitted by law) at the rate per annum which is equal to the prime rate until paid.

SECTION 5.3 [RESERVED]

SECTION 5.4 [RESERVED]

SECTION 5.5 [RESERVED]

ARTICLE 6

**REMOVAL OF EQUIPMENT; PAYMENTS IN LIEU OF TAXES;
AD VALOREM TAXES**

SECTION 6.1 [RESERVED]

SECTION 6.2 Removal of Equipment. The parties hereto understand that certain machinery, equipment and related property (herein "Equipment") shall be installed on the Land. If no Default under this Agreement shall have happened and be continuing, in any instance where the Company in its discretion determines that any items of Equipment have become inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary for operations on the Land, the Company may remove such items of Equipment from the Land and sell, trade-in, exchange or otherwise dispose of them (as a whole or in part) without consent of the County. The Company shall have the right, pursuant to the provisions of the Act, including Section 12-44-60 thereof, to replace any Equipment. Any additional payments due pursuant to Section 12-44-50(B)(2) of the Act as a result of the early termination of all or part of this Agreement with respect to all or part of the Project shall be due with the Company's tax bill for such year.

SECTION 6.3 Payments in Lieu of Taxes. It is recognized that under the Act, the County may provide for a payment in lieu of taxes by the Company for the Project. In accordance with the provisions of the Act, during the Term of the Agreement the Company shall make with respect to the Project (1) a payment equal to the taxes that would otherwise be due on any portion of the Project consisting of undeveloped land if it were taxable, and (2) twenty annual payments in lieu of taxes calculated as set forth in the next succeeding paragraph of this Agreement for each Completed Segment of the Project, including that portion of the Project consisting of substitution or replacement property; and (3) after the payments due pursuant to clause (2) hereinabove, then Completed Segment payments equal to normal ad valorem taxes.

Such annual payments under clause (2) above shall be subject to collection and enforcement as provided in Section 12-44-90 of the Act. The amount of such annual payments shall be determined by:

(a) Using an assessment ratio of 6%, a millage rate of 375.9 mills, and a fair market value estimate as determined by the Department using original cost less allowable depreciation for the personal property as provided in Section 12-37-930 of the Code; and

(b) And then determining an equal annual payment based on a net present value of the sum of the fees for the period of twenty annual payments in lieu of taxes not less than the net present value of the fee schedule as calculated pursuant to subitem (a) above and using a discount rate of 6.04%.

For each Completed Segment of the Project, the amount of each of the twenty annual payments in lieu of taxes shall be calculated using the methodology applied in the example contained in Schedule A.

The total payment due shall equal the sum of the payments due for each Completed Segment.

In the event that a final order of a court of competent jurisdiction from which no further appeal is allowable declares the Act and/or the herein-described payments in lieu of taxes 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 and so as to afford the Company with the benefits to be derived herefrom, the intention of the County being to offer the Company a strong inducement to locate and maintain the Project in the County. Reformation of the payments includes the County's agreement that in case the FILOT incentive described herein is found to be invalid or otherwise does not provide the Company with the economic benefit it is intended to receive from the County as an inducement to locate in the County, the savings lost as a result of such invalidity will be considered a special source revenue credit or infrastructure improvement credit to the Company to the maximum extent permitted by law, and the County will provide a special source revenue credit or infrastructure improvement credit against all FILOT payments or fee payments made or to be made by the Company equal to the amount that the Company would have saved if the FILOT had been valid, to the maximum extent permitted by law. If the Project is deemed to be subject to *ad valorem* taxation, this Agreement shall terminate, and the Company 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. Any amount determined to be due and owing to the County from the Company, with respect to a year or years for which the Company previously remitted payments in lieu of taxes to the County hereunder, shall (i) take into account all applicable tax exemptions to which the Company would be entitled if the Project was not and had not been subject a fee-in-lieu of tax arrangement under the Act; and (ii) be reduced by the total amount of payments in lieu of taxes the Company had made with respect to the Project pursuant to the terms hereof. Notwithstanding anything contained herein to the contrary, neither the Company nor any successor in title or interest shall be required to pay FILOT payments and *ad valorem* taxes for the same property over the same period in question.

In the event that the Cost of the Project has not exceeded \$45,000,000 by the fifth anniversary of the Effective Date, the portions of the Project subject to this Agreement shall revert retroactively to the tax treatment required pursuant to the Act and the unpaid taxes due thereby shall be subject to interest as provided in Section 12-54-25 of the Code.

SECTION 6.4 Ad Valorem Taxes. The County and the Company acknowledge that pursuant to the Act, no part of the Project subject to this Agreement will be subject to ad valorem taxation in South Carolina.

SECTION 6.5 [RESERVED]

SECTION 6.6 Annual Filings.

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

(B) The Company shall cause the filing of a copy of this 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 of the County and Chester County and the Department within 30 days after the date of execution and delivery of this Agreement by all parties.

SECTION 6.7 Cessation of Operations. Notwithstanding any other provision of this Agreement, the Company acknowledges and agrees that County's obligation to provide the FILOT incentive ends, and this Agreement is terminated, if the Company ceases operations. For purposes of this Section 6.7, "ceases operations" means closure of the facility. The Company agrees that if the Agreement is terminated pursuant to this section, that under no circumstance shall the County be required to refund or pay any monies to the Company.

ARTICLE 7

CASUALTY AND CONDEMNATION

SECTION 7.1 Damage and Destruction. [RESERVED]

SECTION 7.2 [RESERVED]

SECTION 7.3 [RESERVED]

ARTICLE 8

PARTICULAR COVENANTS AND AGREEMENTS

SECTION 8.1 [RESERVED]

SECTION 8.2 [RESERVED]

SECTION 8.3 [RESERVED]

SECTION 8.4 [RESERVED]

SECTION 8.5 Right to Inspect; Confidential Information.

(A) The Company agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all the Company's books and records pertaining to the Project. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by the Company to protect the

Company's confidentiality and proprietary rights. Any such entrance upon and examination and inspection of the Project shall be at the County's expense.

(B) The County acknowledges and understands that the Company may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Company's operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Company and could have a significant detrimental impact on the Company's employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Company, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Company and give the Company the opportunity to contest the release.

SECTION 8.6 [RESERVED]

SECTION 8.7 Limitation of County's Liability. Anything in this Agreement to the contrary notwithstanding, any obligation the County may incur under this Agreement, including for the payment of money, shall not be deemed to constitute a debt or general obligation of the County but shall be payable solely and exclusively from the revenues and receipts derived by the County from this Agreement.

SECTION 8.8 [RESERVED]

SECTION 8.9 [RESERVED]

SECTION 8.10 Indemnification.

(A) The Company shall and agrees to indemnify and save the County 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 during the Term of this Agreement, and, Company further shall indemnify and save the County harmless against and from all claims arising during the Term of this Agreement from (i) any condition of the Project; (ii) any breach or default on the part of Company in the performance of any of its obligations under this Agreement; (iii) any act of negligence of Company or any of its agents, contractors, servants, employees or licensees, (iv) any act of negligence of any assignee or sublessee of Company, or of any agents, contractors, servants, employees or licensees of any assignee or sublessee of Company, or (v) any environmental violation, condition, or effect. Company shall indemnify 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, Company shall defend in any such action, prosecution or proceeding it.

(B) Notwithstanding the fact that it is the intention of the parties that the County, its agents, officers, or employees, shall not incur pecuniary liability by reason of the terms of this Agreement, or the undertakings required of the County hereunder, by reason of the performance of any act requested of it by the Company, or the operation of the Project by the Company, 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, its agents, officers or employees should incur any such pecuniary liability, then in such event the Company shall indemnify 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.

(C) The County shall not be indemnified by Sections 8.10(a) and (b) above as to intentional or wanton acts of the County or its agents.

SECTION 8.11 [RESERVED]

SECTION 8.12 Qualification in State. The Company warrants that it is duly qualified to do business in the State of South Carolina and covenants that it will continue to be so qualified so long as it operates the Project.

SECTION 8.13 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 not of any member of the County Council or any officer, agent, servant or employee of the County in his individual capacity, and no recourse shall be had for the payment of any moneys hereunder or the performance of any of the covenants and agreements of the County herein contained or for any claims based thereon against any member of the governing body of the County or any officer, agent, servants or employee of the County.

SECTION 8.14 [RESERVED]

SECTION 8.15 Environmental Representations; Environmental Indemnity. The Company warrants and represents to the County, after thorough investigation on or prior to the Effective Date that (a) the Project and the Land as of the Effective Date and at all times thereafter while it was leased by the Company under the Lease Agreement was in reasonable compliance with all federal, state, and local environmental laws and regulations, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), Public Law No. 96-510, 94 Stat. 2767, 42 USC 9601 et seq., and the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), Public Law No. 99-499, 100 Stat. 1613, and (b)(i) as of the Effective Date and all times thereafter, to the best of the Company's knowledge, there were no hazardous materials, substances, waste or other environmentally regulated substances (including without limitation, any materials containing asbestos) located on, in or under the Project and the Land or used in connection therewith, which

the Company was not permitted by law, regulation or the conditions of a permit to maintain on, in or under the Project and the Land or use in connection herewith, and the Company has obtained and has maintained all licenses, permits and approvals required with respect thereto, and was in full compliance with all of the terms, conditions and requirements of such licenses, permits and approvals. The Company hereby indemnifies and agrees to hold the County harmless from and against any damages, fines, charges, expenses, fees, attorney fees and costs incurred by the County in the event the County as lessor under the Lease Agreement is hereafter determined to be in violation of any environmental laws, rules or regulations applicable thereto, and this indemnity shall survive any foreclosure, deed in lieu of foreclosure and termination of the Lease Agreement. This indemnity includes, but is not limited to, any damages, claims and fees arising out of any claim for loss or damage to property or persons, contamination of or adverse effect on the environment, or any violation of statutes, ordinances, orders, rules or regulations of any governmental agency or entity, caused by or resulting from any hazardous material, substance or waste previously, now or hereafter on or under the Project.

ARTICLE 9

ASSIGNMENT OF PROJECT

SECTION 9.1 Assignment.

(A) If Section 12-44-120 of the Act or any successor provision requires consent to an assignment, the Company may only assign this Agreement in whole or in part with the prior written consent of the County or a subsequent written ratification by the County, which consent or ratification the County will not unreasonably withhold. The Company agrees to notify the County and the Department of the identity of any transferee within 60 days of the transfer. In case of a transfer, the transferee assumes the transferor's basis in the Project for purposes of calculating the FILOT. No approval is required for transfers to sponsor affiliates or other financing related transfers, as defined in the Act.

(B) The County understands that the Company, or its controlling shareholder Procter & Gamble ("P&G"), is a party to a proposed transaction with Berkshire Hathaway, Inc. to divest the Duracell business (the "Proposed Transaction"). The County expressly agrees and provides its consent for P&G to assign this Agreement in full to Duracell Manufacturing, Inc. and/or its subsidiaries upon closing of the Proposed Transaction.

SECTION 9.2 [RESERVED]

ARTICLE 10

PURCHASE AND OPTION TO PURCHASE PROJECT; PURCHASE PRICE

[RESERVED]

ARTICLE 11

EVENTS OF DEFAULT AND REMEDIES

SECTION 11.1 Events of Default. Any one or more of the following events (herein called "Event of Default", or collectively "Events of Default") shall constitute an Event of Default:

(a) if Default shall be made in the due and punctual payment of any fee in lieu of tax payments due hereunder;

(b) if the Company shall assign this Agreement, otherwise than as expressly permitted pursuant to Section 9.1 hereof;

(c) if Default shall be made by the Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing subdivisions (a) or (b) and such default shall (i) continue for 30 days after the Company shall have given the Company written notice of such Default or a responsible officer of the Company shall otherwise have actual notice thereof, or (ii) in the case of any such Default which can be cured but which cannot with due diligence be cured within such 30-day period, if the Company shall fail to proceed promptly to cure the same and thereafter prosecute the curing of such Default with due diligence, it being intended in connection with the Default not susceptible of being cured with due diligence within 30 days that the time of the Company within which to cure the same shall be extended for such period as may be necessary to complete the curing of the same with all due diligence;

(d) if the Company shall file a voluntary petition seeking an order for relief in bankruptcy, or shall be adjudicated insolvent, or shall file any petition or answer or commence a case seeking any reorganization, composition, readjustment, liquidation or similar order for relief or relief for itself under any present or future statute, law or regulation, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Company or of the Project, or shall make any general assignment for the benefit of credits, or shall admit in writing its inability to pay its debts generally as they become due;

(e) if a petition shall be filed or a case shall be commenced against Company seeking an order for relief in bankruptcy or any reorganization, composition, readjustment, liquidation or similar relief under any present or future statute, law or regulation, and shall remain undismissed or unstayed for an aggregate of 30 days (whether or not consecutive), or if any trustee, receiver or liquidator of the Company or of all or any substantial part of its properties or of the Project shall be appointed without the consent or acquiescence of the Company and such appointment shall remain unvacated or unstayed for an aggregate of 30 days (whether or not consecutive);

(f) If any material representation or warranty made by the Company herein or any statement, certificate or indemnification furnished or delivered by the Company in connection with the execution and delivery of this Agreement, proves untrue in any material respect as of the date of the issuance or making thereof or is knowingly violated or breached, as the case may be:

(g) If the Company shall abandon the Project; or

(h) If the Company shall dissolve or fail to maintain its separate corporate existence without prior assignment of this Agreement pursuant to Section 9.1 hereof.

SECTION 11.2 Remedies on Event of Default. Upon the occurrence of any Event of Default, the County at its option: (i) may terminate this Agreement as to one or more Completed Segments by 30 days' notice in writing specifying the termination date and the Completed Segments to be terminated; (ii) may have access to and inspect, examine and make copies of, the books, records and accounts of the Company pertaining to the Project; or (iii) may take whatever action at law or in equity as may appear necessary or desirable to collect any amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition or agreement of the Company under this Agreement.

SECTION 11.3 Company's Obligations to Survive Repossession and Termination. Except as hereinafter provided, no termination of the Term of the Agreement hereof shall relieve the Company of its liability and obligations to make the payments required by Sections 5.2, 8.10 and 8.15 hereof, all of which shall survive any such termination.

ARTICLE 12

MISCELLANEOUS

SECTION 12.1 Rights and Remedies Cumulative. Each right, power and remedy of the County or of the Company provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced, and the exercise by the County or by the Company of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company of any or all such other rights, powers and remedies.

SECTION 12.2 Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 12.3 Notices; Demands; Requests. All notices, demands and requests to be given or made hereunder to or by the County or the Company, shall be in writing, and shall be deemed to be properly given or made if sent by United States first class mail, post prepaid addressed as follows or at such other places as may be designated in writing by such party.

IF TO THE COUNTY:

Lancaster County, South Carolina
Attn: County Administrator
101 N. Main St. (29720)
P.O. Box 1809 (29721)
Lancaster, SC

WITH A COPY TO:

Lancaster County, South Carolina
Attn: County Attorney
101 N. Main St. (29720)
P.O. Box 1809 (29721)
Lancaster, SC

IF TO THE COMPANY:

Duracell Inc.
1551 Highway 9, Bypass West
Lancaster, South Carolina 29620
Attention: President

SECTION 12.4 Applicable Law; Entire Understanding. This Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of South Carolina. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

SECTION 12.5 Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of each clause or provision shall not affect any of the remaining provisions hereof.

SECTION 12.6 Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents or Index annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular Articles or Sections or subdivisions of this Agreement are references to the designated Articles or Sections or subdivision of this Agreement.

SECTION 12.7 Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

SECTION 12.8 [RESERVED]

SECTION 12.9 Amendments. This Agreement may be amended only by a writing signed by both parties.

SECTION 12.10 Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

SECTION 12.11 Intent of the Parties; Waiver of Recapitulation.

(A) Notwithstanding anything contained herein to the contrary, and in accordance with Section 12-44-170(B) of the Act, (i) the fee payments due hereunder shall in no event be less or more than, or be for a duration shorter or longer than, the fee payments that would be due if the Lease Agreement were continued; and (ii) any minimum investment or employment requirements under the Lease Agreement are hereby carried over to this Agreement. It is the intent of the parties that this Agreement will not affect the economic benefit and rights and obligations intended to be created by the Lease Agreement to the Company and the County, but is merely entered into in order to continue the fee in lieu of taxes arrangement previously entered into through the Lease Agreement but without the County having title to the assets subject to the fee in lieu of taxes, all in accordance with Section 12-44-170 of the Act.

(B) Pursuant to Section 12-44-55(B) of the Act, the County and the Company waive any and all compliance with any and all of the provisions, items, or requirements of Section 12-44-55 of the Act.

SIGNATURES FOLLOW ON NEXT PAGE.

IN WITNESS WHEREOF, the County, acting by and through its Council, has caused this Agreement to be executed in its name and on its behalf by the Council Chair and Council Secretary and to be attested by the Clerk to Council, and The Gillette Company has executed this Agreement by causing its corporate name to be hereunto subscribed by its President or a Vice President and its corporate seal to be impressed hereon and attested to by its Secretary or Assistant Secretary, all being done as of the day and year first above written.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

THE GILLETTE COMPANY

Signature: _____

Name: _____

Its: _____

ATTEST:

_____, Assistant Secretary

EXHIBIT A

All those certain pieces, parcels or tracts of land, lying, being and situate in Can Creek Township, Lancaster County, South Carolina, on the North side of South Carolina Road S-29-518, known as Hawthorne Road, containing a total of four and five tenths (4.5) acres, more or less, and being shown, described and designated as Tracts "A" 4.160 Acres and "B" 0.340 AC. IN R/W" on plat of survey made by Enfinger & Associates, dated June 28, 1995, entitled "PLAT OF BOUNDARY SURVEY FOR DURACELL INTERNATIONAL INC. (DURACELL U.S.A.)" and recorded in the Office of the Clerk of Court for Lancaster County, South Carolina, referenced to said plat is craved for a more minute description.

EXHIBIT B

[RESERVED]

EXHIBIT C

[RESERVED]

SCHEDULE A

Duracell Inc.

Year of Payment	Standard Tax with Abatement	Cellular Investment	2nd Year	3rd Year	4th Year	5th Year	Total	Mail Savings	40% Fine for
	First	First	First	First	First	First	First	First	First
1999	\$562,466	\$371,104	\$224,577	\$210,809	\$184,532	\$111,807	\$371,104	\$181,392	\$148,442
2000	\$837,844	\$328,387	\$186,846	\$180,012	\$161,724	\$97,988	\$552,784	\$285,080	\$221,105
2001	\$1,059,867	\$285,670	\$141,181	\$143,216	\$126,917	\$84,169	\$369,124	\$280,663	\$279,690
2002	\$1,191,990	\$242,859	\$113,448	\$130,419	\$108,917	\$67,988	\$278,165	\$401,327	\$314,584
2003	\$1,178,492	\$200,237	\$89,717	\$109,623	\$116,110	\$84,169	\$510,422	\$310,217	\$257,717
2004	\$1,013,479	\$157,520	\$69,717	\$88,826	\$70,488	\$370,360	\$277,929	\$244,074	\$204,909
2005	\$820,639	\$114,803	\$57,985	\$66,029	\$58,882	\$342,713	\$227,929	\$194,978	\$163,668
2006	\$920,629	\$72,086	\$30,453	\$28,233	\$24,881	\$28,894	\$167,966	\$125,749	\$67,086
2007	\$472,887	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2008	\$369,037	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2009	\$269,415	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2010	\$261,975	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2011	\$257,578	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2012	\$257,578	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2013	\$257,578	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2014	\$257,578	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2015	\$257,578	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2016	\$257,578	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2017	\$257,578	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2018	\$257,578	\$84,319	\$26,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2019	\$145,019		\$25,211	\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2020	\$100,900			\$24,361	\$20,734	\$147,187	\$110,391	\$110,391	
2021	\$88,269			\$20,734	\$147,187	\$110,391	\$110,391	\$110,391	
2022	\$21,985			\$12,563	\$12,563	\$12,563	\$12,563	\$12,563	
	\$11,057,080	\$2,644,835	\$1,321,049	\$1,276,494	\$1,086,456	\$668,279	\$5,251,318	\$4,180,207	\$2,149,319
	\$7,270,780						\$4,002,908	\$2,876,851	\$1,610,248
Investment	Land & Bldg	\$1,130,000	\$0	\$0	\$0	\$0			
Equip. Permit		\$172,298,000	\$11,176,636	\$10,801,000	\$9,999,000	\$5,579,000			
Multiple Use Act		0.3763							
Abatement		0.06502 NPV	0.0534						

Duracell Inc.
Levelized Payment Method

Year	1st Year	2nd Year	3rd Year	4th Year	5th Year	Total	Savings from	SSPD
Service Fee	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed	Fixed
1999	\$562,495	\$156,716	\$85,195	\$82,322	\$70,066	\$156,716	\$406,780	\$52,685
2000	\$637,844	\$156,716	\$85,195	\$82,322	\$70,066	\$241,911	\$596,833	\$66,784
2001	\$1,059,087	\$156,716	\$85,195	\$82,322	\$70,066	\$324,232	\$736,455	\$129,893
2002	\$1,179,492	\$156,716	\$85,195	\$82,322	\$70,066	\$334,286	\$767,802	\$157,719
2003	\$1,013,479	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$742,741	\$174,700
2004	\$820,639	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$576,726	\$174,700
2005	\$620,626	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$388,886	\$174,700
2006	\$472,607	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$186,714	\$174,700
2007	\$366,037	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$145,336	\$174,700
2008	\$283,415	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$174,733	
2009	\$261,976	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2010	\$257,578	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2011	\$257,578	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2012	\$257,578	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2013	\$257,578	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2014	\$257,578	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2015	\$257,578	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2016	\$257,578	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2017	\$257,578	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2018	\$257,578	\$156,716	\$85,195	\$82,322	\$70,066	\$436,751	\$173,173	
2019	\$146,019		\$85,195	\$82,322	\$70,066	\$280,035	\$135,016	
2020	\$140,900			\$82,322	\$70,066	\$194,840	\$55,940	
2021	\$58,269				\$70,066	\$112,519	\$54,250	
2022	\$21,385					\$49,236	\$27,251	
	\$11,057,080	\$3,134,316	\$1,703,899	\$1,646,432	\$1,407,319	\$8,556,836	\$6,741,802	\$1,495,065
	\$1,276,700	\$1,791,696	\$910,535	\$837,000	\$671,314	\$3,955,244	\$4,804,569	\$1,057,258

Friday, January 23, 1998

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Cash Index:	+
Cash Pay .. .	-
Deferred Int'l +	+
Distracted -	-
Bunkrupt +	+
Volkswagen Motor Co.	
The Fish Index	
July 6, 1982 = \$57	

Say Gainers
Tenderloin
by S.C.E.
New Users

The Gillette Company (199)

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Friday, January 20, 1966
Over the counter market—open positions
transactions, usually 10 million or more
market orders (market) traded 100,000
all orders are calculated to maintain
about 200,000. ... Collateralized mortgage
bonds, suitable only to mature, yield a
collateral call after five years (about 100,000)
the market rate for bonds traded.
Source: New York, New York, New York
New York

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THE FIRST

Year	Age	Sex	Location	Length (mm)	Weight (g)	Stomach contents	Notes
1981	10	M	100 m	100	100	100	100
1982	11	F	100 m	110	110	110	110
1983	12	M	100 m	120	120	120	120
1984	13	F	100 m	130	130	130	130
1985	14	M	100 m	140	140	140	140
1986	15	F	100 m	150	150	150	150
1987	16	M	100 m	160	160	160	160
1988	17	F	100 m	170	170	170	170
1989	18	M	100 m	180	180	180	180
1990	19	F	100 m	190	190	190	190
1991	20	M	100 m	200	200	200	200
1992	21	F	100 m	210	210	210	210
1993	22	M	100 m	220	220	220	220
1994	23	F	100 m	230	230	230	230
1995	24	M	100 m	240	240	240	240
1996	25	F	100 m	250	250	250	250
1997	26	M	100 m	260	260	260	260
1998	27	F	100 m	270	270	270	270
1999	28	M	100 m	280	280	280	280
2000	29	F	100 m	290	290	290	290
2001	30	M	100 m	300	300	300	300
2002	31	F	100 m	310	310	310	310
2003	32	M	100 m	320	320	320	320
2004	33	F	100 m	330	330	330	330
2005	34	M	100 m	340	340	340	340
2006	35	F	100 m	350	350	350	350
2007	36	M	100 m	360	360	360	360
2008	37	F	100 m	370	370	370	370
2009	38	M	100 m	380	380	380	380
2010	39	F	100 m	390	390	390	390
2011	40	M	100 m	400	400	400	400
2012	41	F	100 m	410	410	410	410
2013	42	M	100 m	420	420	420	420
2014	43	F	100 m	430	430	430	430
2015	44	M	100 m	440	440	440	440
2016	45	F	100 m	450	450	450	450
2017	46	M	100 m	460	460	460	460
2018	47	F	100 m	470	470	470	470
2019	48	M	100 m	480	480	480	480
2020	49	F	100 m	490	490	490	490
2021	50	M	100 m	500	500	500	500
2022	51	F	100 m	510	510	510	510
2023	52	M	100 m	520	520	520	520
2024	53	F	100 m	530	530	530	530
2025	54	M	100 m	540	540	540	540
2026	55	F	100 m	550	550	550	550
2027	56	M	100 m	560	560	560	560
2028	57	F	100 m	570	570	570	570
2029	58	M	100 m	580	580	580	580
2030	59	F	100 m	590	590	590	590
2031	60	M	100 m	600	600	600	600
2032	61	F	100 m	610	610	610	610
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3	3000	3000	3000
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Exhibit B to Ordinance No. 2015-1377

Title to Real Estate

See attached.

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Exhibit B to Ordinance No. 2015-1377

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

TITLE TO REAL ESTATE

KNOW ALL MEN BY THESE PRESENTS, that Lancaster County, South Carolina, a body corporate and politic and a subdivision of the State of South Carolina (the "Grantor") for and in consideration of One Dollar (\$1.00) has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto The Gillette Company, a corporation organized and existing under the laws of the State of Delaware (the "Grantee").

(See Exhibit A attached hereto for a legal description)

Grantee's Address:

Together with all and singular the rights, members, hereditaments and appurtenances to said premises belonging or in any wise incident or appertaining; to have and to hold all and singular the premises before mentioned under the Grantee, and Grantee's successors and assigns, forever. And, the Grantor does hereby bind the Grantor and the Grantee's successors and assigns, to warrant and forever defend all and singular said premises unto the Grantee and the Grantee's successors and/or assigns against the Grantor and the Grantor's successors and assigns (except as to Permitted Encumbrances) but not as to any other person whomsoever may claim.

WITNESS the Grantor's hand and seal this day of , 2015.

SIGNED, sealed and delivered in the presence of:

WITNESSES: LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER) PROBATE

PERSONALLY appeared before me _____, who being duly sworn says that (s)he saw the corporate seal of Lancaster County, South Carolina, affixed to the foregoing Deed and that (s)he also saw Bob Bundy, as Council Chair, Steve Harper, as Council Secretary, and Debbie C. Hardin, as Clerk to Council, sign and attest the same and that (s)he with _____ witnessed the execution and deliver thereof as the act and deed of Lancaster County, South Carolina

Witness

SWORN to before me this
____ day of _____, 2015

(L.S.)
Notary Public for South Carolina
My Commission expires: _____

EXHIBIT A

Exhibit A

All those certain pieces, parcels or tracts of land, lying, being and situate in Can Creek Township, Lancaster County, South Carolina, on the North side of South Carolina Road S-29-518, known as Hawthorne Road, containing a total of four and five tenths (4.5) acres, more or less, and being shown, described and designated as Tracts "A" 4.160 Acres and "B" 0.340 AC. IN R/W" on plat of survey made by Enfinger & Associates, dated June 28, 1995, entitled "PLAT OF BOUNDARY SURVEY FOR DURACELL INTERNATIONAL INC. (DURACELL U.S.A.)" and recorded in the Office of the Clerk of Court for Lancaster County, South Carolina, referenced to said plat is craved for a more minute description.

Being a portion of the property conveyed to Duracell, Inc. by deed of Pat O. Love, dated November 9, 1995 and recorded on November 9, 1995, in the Office of the Clerk of Court for Lancaster County, South Carolina in Deed Book M-13 at page 338.

Exhibit C to Ordinance No. 2015-1377

Bill of Sale

See attached.

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Exhibit C to Ordinance No. 2015-1377

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

BILL OF SALE

This BILL OF SALE (the "Bill of Sale") is given this ____ day of _____, 2015, by LANCASTER COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the "County") to THE GILLETTE COMPANY, a Delaware corporation, or any successor thereof pursuant to the Lease (as defined below) (the "Company").

RECITALS:

Pursuant to an ordinance dated March 30, 1998 (the "Ordinance"), the County Council of Lancaster County, South Carolina (the "County Council"), authorized the issuance by the County of Lancaster County, South Carolina, Industrial Revenue Bond in an aggregate amount not exceeding \$80,000,000 (the "Bond") for the purpose of financing the cost of the acquisition, by construction and purchase, of land, buildings, improvements, machinery, equipment and fixtures which shall constitute a manufacturing facility for the manufacturing of batteries and components in the County (the "Project").

As contemplated by the Ordinance, the Tenant conveyed title to the Project to the County, including the Completed Segments, on or before each advance under the Bond by bills of sale and by a title to real estate. Pursuant to a Lease Agreement dated as of June 1, 1998 (the "Lease"), between the County and the Tenant, the County leased the Project (including each Completed Segment thereof) back to the Tenant in return for rental payments that are exactly equal and fully sufficient to make the payments due under the Bond by the County. Pursuant to Article 10 of the Lease, the Tenant may, at its option, reacquire the title to the Project or any portion thereof by bill of sale or title to real estate from the County. Pursuant to an Escrow Agreement dated as of June 1, 1998 (the "Escrow Agreement"), among the County, the Company, and Haynsworth, Marion, McKay & Guerard, L.L.P. as Escrow Agent (the "Escrow Agent"), the Escrow Agent, among other duties, is to hold the specific description of all machinery and equipment which is a part of the Project.

The Company has requested the County's consent and the County has agreed to consent to the Company's election to transfer the Project back to the Company pursuant to Section 12-44-170(B) of the Code of Laws of South Carolina 1976, as amended.

NOW, THEREFORE, FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the County does hereby grant, bargain, sell, transfer, and convey to the Company all the capital assets, including but not limited to, all real estate improvements (if any) , machinery, equipment, and fixtures acquired in whole or in part from the

proceeds of the Bond together with any and all additions, accessions, replacements and substitutions thereto or therefore that were transferred to the County directly or were reported for fee in lieu of tax purposes as subject to the Lease Agreement, including but not limited to the property being more particularly described on Exhibit A attached hereto.

The County represents and warrants that it is the true and lawful owner of all of the property described herein; and that it has full power, right and lawful authority to sell the said property. The County further agrees that it will forever warrant and defend the title to said property.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

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Exhibit A

All property and assets owned by the County and leased to the Company under the Lease.

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Exhibit D to Ordinance No. 2015-1377

**Agreement to Terminate
Lease Agreement, Indenture, Industrial Revenue Bonds, and Escrow Agreement**

See attached.

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Exhibit D to Ordinance No. 2015-1377

**AGREEMENT TO TERMINATE LEASE AGREEMENT,
INDENTURE, INDUSTRIAL REVENUE BONDS, AND ESCROW AGREEMENT**

This AGREEMENT TO TERMINATE LEASE AGREEMENT, INDENTURE, INDUSTRIAL REVENUE BONDS, AND ESCROW AGREEMENT (the "Agreement") is entered into to be effective as of this ____ day of _____, 2015 ("Termination Date") by and between LANCASTER COUNTY, SOUTH CAROLINA (the "County") and THE GILLETTE COMPANY, as successor to Duracell Inc. (the "Company").

WITNESSETH

WHEREAS, the County has entered into a fee in lieu of taxes arrangement (the "FILOT Transaction") under Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Title Act") with the Company, in connection with which the Company transferred title to certain property (collectively, the "Project") to the County, and the County and the Company entered into a Lease Agreement dated as of June 1, 1998 ("Lease Agreement"), and an Indenture dated as of June 1, 1998 ("Indenture"), as well as an Escrow Agreement among the Company, the County, and Haynsworth, Marion, McKay & Guerard, L.L.P. ("Escrow Agreement"), as escrow agent (the "Escrow Agent"), pursuant to which the County leased the Project back to the Company; and

WHEREAS, in connection with the FILOT Transaction, the County issued not exceeding \$80,000,000 Lancaster County, South Carolina Industrial Revenue Bonds, Series 1998 (Duracell Inc. Project) (the "Bonds"), which Bonds were purchased by the Company; and

WHEREAS, the Company desires to transfer (the "Transfer") the Project from the arrangement under the Title Act to an arrangement under Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended (the "Non-Title Act") in accordance with Section 12-44-170(B) of the Non-Title Act; and

WHEREAS, the County and Company, in furtherance of the desire to transfer property from an arrangement under the Title Act to one under the Non-Title Act and pursuant to and in consideration of the terms and conditions contained herein, desire to terminate the Lease Agreement, the Indenture, the Bonds, and the Escrow Agreement, prior to the scheduled expiration of the terms thereof and enter into a fee in lieu of tax agreement pursuant to the Non-Title Act.

NOW THEREFORE, based on the foregoing and for the sum of ten dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. The Lease Agreement, the Indenture, the Bonds, and the Escrow Agreement shall terminate on the Termination Date, without liability or penalty. The Inducement Agreement and

Millage Rate Agreement between the Company and the County dated January 26, 1998 shall remain in effect but only to the extent required in order to continue the benefits of the FILOT under the Non-Title Act.

2. Effective as of the Termination Date, the Company does hereby waive, release, relieve, and forever discharge the Escrow Agent from any and all causes of action, liabilities, claims, or other demands of any kind or character which it may have against the Escrow Agent with respect to, or in connection with, the Escrow Agreement, or arising therefrom on and after the Termination Date.

3. The County and the Company agree that the sole intent of the Transfer is to convert the FILOT arrangement from the Title Act to the Non-Title Act and not to terminate, alter or modify the incentives provided to the Company under the FILOT.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement or have caused their duly authorized representatives to execute the same, to be effective as of the day and year first above written.

WITNESSES:

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

WITNESSES:

THE GILLETTE COMPANY

By: _____

Name: _____

Its: _____

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Exhibit E to Ordinance No. 2015-1377

Agreement for the Termination of Memorandum of Lease and Option to Purchase and Indenture

See attached.

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Exhibit E to Ordinance No. 2015-1377

STATE OF SOUTH CAROLINA)	AGREEMENT FOR THE TERMINATION OF
COUNTY OF LANCASTER)	MEMORANDUM OF LEASE AND OPTION TO
)	PURCHASE AND INDENTURE

This AGREEMENT FOR THE TERMINATION OF MEMORANDUM OF LEASE AND OPTION TO PURCHASE AND INDENTURE (the "Agreement") effective as of the ____ day of _____, 2015, and is by and between LANCASTER COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the "County") and THE GILLETTE COMPANY, as successor to Duracell Inc., a corporation duly organized and existing under the laws of the State of Delaware and authorized to do business in the State of South Carolina (the "Company").

RECITALS:

WHEREAS, the County and the Company entered into (i) a Memorandum of Lease and Option to Purchase dated as of June 1, 1998 (the "MOL"), and (ii) an Indenture dated as of June 1, 1998 (the "Indenture") in connection with a fee in lieu of taxes ("FILOT") transaction between the Company and the County pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Title Act"); and

WHEREAS, the MOL was recorded in the Office of the Clerk of Court for Lancaster County ("Clerk's Office") in Book 0015 at Page 0086 in order to record the terms of a Lease Agreement between the County and the Company and the Indenture was recorded in Book 0601 at Page 0071 of the Clerk's Office; and

WHEREAS, pursuant to Ordinance No. 2015-____, enacted by the County on _____, 2015, the County consented to the transfer of the FILOT under the Title Act to a FILOT transaction under Title 12, Chapter 44 of the Code (the "Non-Title Act") and to the execution of a Fee Agreement and all other documents necessary to evidence such transfer; and

WHEREAS, the parties now desire to terminate the MOL and the Indenture.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Company agree the MOL and the Indenture are hereby terminated. The Company shall record this Agreement in the office of the Lancaster County Register of Deeds.

[Signature Page Follows.]

IN WITNESS WHEREOF, the undersigned have executed this Agreement under seal as of the date first written above.

WITNESSES:

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

WITNESSES:

THE GILLETTE COMPANY

By: _____

Name: _____

Title: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____)

I, _____, Notary Public for the State of South Carolina, do hereby certify that THE GILLETTE COMPANY, by _____, its _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Subscribed to and sworn before me this ____ day of _____, 2015.

_____(L.S.)
Notary Public, State of _____

My Commission Expires: _____
NOTARIAL SEAL

STATE OF SOUTH CAROLINA)

COUNTY OF LANCASTER)

I, _____, Notary Public for the State of South Carolina, do hereby certify that LANCASTER COUNTY, SOUTH CAROLINA, by Bob Bundy, Council Chair, Steve Harper, Council Secretary, as attested by Debbie C. Hardin, Clerk to Council, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Subscribed to and sworn before me this _____ day of _____, 2015.

_____(L.S.)
Notary Public, State of South Carolina

My Commission Expires: _____
NOTARIAL SEAL

The Lancaster News

701 North White Street
PO Box 640
Lancaster, SC 29721
803-283-1133

NOTICE OF PUBLIC HEARING

Lancaster County Council

A public hearing has been scheduled by the Lancaster County Council for Monday, November 9, 2015, at 6:30 p.m. in the Lancaster County Council Chambers, second floor, County Administration Building, 101 North Main Street, Lancaster, South Carolina, or at such other location in or around the complex posted at the main entrance. The purpose of the public hearing is to receive public comment on an ordinance, Ordinance No. 2015-1352, titled "AN ORDINANCE TO AUTHORIZE AND APPROVE AN AMENDED AND RESTATED MASTER MULTI-COUNTY PARK AGREEMENT BETWEEN CHESTERFIELD COUNTY, SOUTH CAROLINA AND LANCASTER COUNTY, SOUTH CAROLINA; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO." At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee.

This is to certify that the attached Legal Notice was published in The Lancaster News in the issue of 10/14/15


Notary Public of South Carolina

My Commission Expires February 10, 2020

STATE OF SOUTH CAROLINA

COUNTY OF LANCASTER

)
)
)

ORDINANCE NO. 2015-1352

AN ORDINANCE

TO AUTHORIZE AND APPROVE AN AMENDED AND RESTATED MASTER MULTI-COUNTY PARK AGREEMENT BETWEEN CHESTERFIELD COUNTY, SOUTH CAROLINA AND LANCASTER COUNTY, SOUTH CAROLINA; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and determinations; Purpose.

(A) The Council finds and determines that:

(1) Lancaster County, South Carolina ("Lancaster County") is authorized by Article VIII, Section 13(D) of the South Carolina Constitution and by Sections 4-1-170, -172 and -175 of the Code of Laws of South Carolina 1976, as amended, to jointly develop, in conjunction with contiguous counties, industrial and business parks (each a "Multi-County Park"); and

(2) Lancaster County and Chesterfield County, South Carolina ("Chesterfield County"), are contiguous counties; and

(3) Pursuant to Ordinance No. 2013-14-08, enacted by Chesterfield County Council on December 4, 2013, and Ordinance No. 2013-1230 enacted by Lancaster County Council on December 9, 2013, Lancaster County and Chesterfield County approved a Master Multi-County Park Agreement dated as of December 9, 2013 which provided for the establishment of a Multi-County Park (the "Original Park Agreement"); and

(4) the Original Park Agreement provides that property may be added to the Multi-County Park upon the passage of approving ordinances enacted by the respective county councils; and

(5) Lancaster County and Chesterfield County desire to simplify the process of adding property to the Park by revising Section 5(B)(1) of the Original Park Agreement to provide that property may be added to the Park Agreement by ordinance of the county in which the subject property is located and by resolution of the non-host county; and

(6) Chesterfield County and Lancaster County both desire to add several properties located in their respective counties to the Multi-County Park; and

(7) to effectuate the changes sought by Chesterfield County and Lancaster County to the Original Park Agreement and the Multi-County Park, the two counties are authorizing and approving an Amended and Restated Master Multi-County Park Agreement that includes the desired changes.

(B) It is the purpose of this ordinance, among other things, to authorize and approve an Amended and Restated Master Multi-County Park Agreement.

Section 2. Approval of Amended and Restated Master Multi-County Park Agreement.

(A) The Council Chair and the Council Secretary are authorized, empowered and directed, in the name of and on behalf of Lancaster County, to execute, acknowledge, and deliver an Amended and Restated Master Multi-County Park Agreement between Chesterfield County, South Carolina and Lancaster County, South Carolina (the "Amended and Restated Master Agreement"). The Clerk to Council is authorized to attest the execution of the Amended and Restated Master Agreement by the County officials. The form of the Amended and Restated Master Agreement is attached to this ordinance as Exhibit A and all terms, provisions and conditions of the Amended and Restated Master Agreement are incorporated into this ordinance as if the Amended and Restated Master Agreement were set out in this ordinance in its entirety. By adoption of this ordinance, Council approves the Amended and Restated Master Agreement and all of its terms, provisions and conditions. The Amended and Restated Master Agreement is to be in substantially the form as attached to this ordinance and hereby approved, or with such changes therein as the Council Chair and Council Secretary determine, upon advice of counsel, necessary and that do not materially change the matters contained in the form of the Amended and Restated Master Agreement.

(B) Prior to the execution of the Amended and Restated Master Agreement, as provided in Section 2(A) of this ordinance, the Council Chair and Council Secretary are authorized and directed to remove any property from the schedule of properties proposed to be included in the Multi-County Park if the property is inside the boundaries of a municipality and the municipality has not consented to the creation of the Multi-County Park as required by Section 4-1-170(C) of the Code of Laws of South Carolina 1976, as amended, unless the property was previously included in another multi-county park .

Section 3. Removal of parcel from prior park agreement.

Upon the later of the passage of this Ordinance or the passage of a counterpart ordinance by Chesterfield County authorizing and approving an Amended and Restated Master Agreement that includes the property owned by DC Custom Freight, d/b/a Fiber Fuels (Tax Map No. 37-58), such property will be removed from the prior multi-county park agreement between Chesterfield and Lancaster Counties dated August 13, 2012 (approved by Lancaster County Ordinance No. 1138 and Chesterfield County Ordinance No. 12-13-05).

Section 4. Distribution of Amended and Restated Master Agreement.

When Lancaster County and Chesterfield County have each passed an ordinance approving the Amended and Restated Master Agreement as provided in Section 2 of this ordinance, the County Administrator, in coordination with the County Administrator of Chesterfield County, shall cause to be distributed the Amended and Restated Master Agreement. A copy of the Amended and Restated Master Agreement, including Exhibit A (Lancaster County) and Exhibit B (Chesterfield County), shall be provided to the Clerk to Council, Assessor, Auditor and Treasurer of Lancaster County and Chesterfield County.

Section 5. Authority to Act.

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effectuate the purposes of this ordinance and the performance of all obligations of the County under and pursuant to this ordinance.

Section 6. Conflicting provisions; Continuation of Ordinance No. 2015-1230.

(A) To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions, policies, procedures and actions, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

(B) Unless otherwise provided in this ordinance, all provisions of Ordinance No. 2013-1230, as amended, remain in place and apply with equal force and effect to the Amended and Restated Master Agreement.

Section 7. Severability.

If any section of this ordinance is, for any reason, determined to be void or invalid by a court of competent jurisdiction, it shall not affect the validity of any other section of this ordinance which is not itself void or invalid.

Section 8. Effective date.

This ordinance is effective upon third reading.

And it is so ordained, this 9th day of November, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

First Reading:	July 27, 2015	Passed 7-0
Second Reading:	October 26, 2015	Passed 7-0
Public Hearing:	November 9, 2015	Tentative
Third Reading:	November 9, 2015	Tentative

Exhibit A to Ordinance No. 2015-1352

Amended and Restated Master Multi-County Park Agreement

See attached.

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Amended and Restated
Master Multi-County Park Agreement
between
Chesterfield County, South Carolina
and
Lancaster County, South Carolina
Originally Dated as of December 9, 2013 and
Effective July 1, 2014

Amended and Restated
as of
November 9, 2015

**Amended and Restated
Master Multi-County Park Agreement**

between

Chesterfield County, South Carolina and Lancaster County, South Carolina

Originally Dated as of December 9, 2013 and Effective July 1, 2014

Amended and Restated as of November 9, 2015

This AMENDED AND RESTATED MASTER MULTI-COUNTY PARK AGREEMENT is made and entered into as of the 9th day of November, 2015, by and between CHESTERFIELD COUNTY, SOUTH CAROLINA ("Chesterfield County") and LANCASTER COUNTY, SOUTH CAROLINA ("Lancaster County") (collectively, Chesterfield County and Lancaster County are the "Parties"), each a body politic and corporate, a political subdivision of the State of South Carolina ("Amended and Restated Master Agreement").

In consideration of the mutual agreements, representations and benefits contained in this Master Agreement and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Chesterfield County and Lancaster County agree as follows:

1. Effective Date. This Amended and Restated Master Agreement is effective at 12:00 a.m. (midnight), November 9, 2015 (the "Effective Date").

2. Authorization. Article VIII, section 13(D) of the South Carolina Constitution and Sections 4-1-170, -172, and -175 of the Code of Laws of South Carolina 1976, as amended (the "MCP Law"), authorizes contiguous counties to jointly develop industrial and business parks within the geographical boundaries of one or more of the participating counties. Lancaster County authorized and approved this Amended and Restated Master Agreement by passage of Ordinance No. 2015-1352 and Chesterfield County authorized and approved this Amended and Restated Master Agreement by passage of Ordinance No. 14-15-20.

3. Purpose; Intent. (A) *General.* The purpose of this Amended and Restated Master Agreement is to (i) provide for the establishment of a multi-county park in accordance with the MCP Law consisting of multiple properties located in each county, (ii) encourage the investment of capital and the creation of jobs in Lancaster County and Chesterfield County, and (iii) to provide a simple process for the two counties to use the multi-county park mechanism as a tool to recruit new business and industry to locate in the respective counties and to encourage the expansion of existing business and industry.

(B) *Prior Agreement.* It is the intention of the Parties for this Amended and Restated Master Multi-County Park Agreement to replace and supersede for all purposes the Master Multi-County Park Agreement between Chesterfield County, South Carolina and Lancaster County, South Carolina dated December 9, 2013 and effective July 1, 2014.

4. Agreement to Develop Park. The Parties agree to jointly develop an industrial and business park in accordance with the MCP Law and the terms and conditions of this Amended and Restated Master Agreement (the “Park”).

5. The Park. (A) *Location.* The Park consists of property located in Lancaster County, as further identified in Exhibit A (Lancaster County) to this Amended and Restated Master Agreement, and property located in Chesterfield County, as further identified in Exhibit B (Chesterfield County), to this Amended and Restated Master Agreement. The Park may consist of non-contiguous properties within each county.

(B) *Addition and Removal of Property.*

(1) *County Action Required.* Property may be added to the Park by ordinance of the county in which the subject property is located and resolution of the non-host county. Property may be removed from the Park by ordinances of both counties.

(2) *Revised Exhibits.* If property is added to or removed from the Park, this Amended and Restated Master Agreement is deemed amended and a revised Exhibit A (Lancaster County) or Exhibit B (Chesterfield County), as applicable, shall be prepared by the county in which the added or removed property is located. The revised exhibit must contain a description or other identification of the properties included in the Park, after the addition or removal. A copy of the revised exhibit shall be provided to the Administrator, Clerk to Council, Assessor, Auditor and Treasurer of Lancaster County and Chesterfield County.

(3) *Public Hearings and Notice.* Prior to the adoption by either county of an ordinance authorizing the removal of property from the Park, the county council in the county in which the property to be removed is located, shall hold a public hearing. The county that will conduct the public hearing must give notice of the public hearing by publication in a newspaper of general circulation in the county in which the public hearing will be held at least once and not less than fifteen (15) days prior to the public hearing. Notice of the public hearing shall also be served in the manner of service of process at least fifteen (15) days prior to the public hearing upon the owner of the real property and, if applicable, the lessee of any real property which would be removed from the Park.

6. Fee in Lieu of Taxes. Pursuant to article VIII, section 13(D), of the South Carolina Constitution, all property located in the Park is exempt from all *ad valorem* taxation. The owners or lessees of any property situated in the Park shall pay in accordance with this Amended and Restated Master Agreement and the MCP Law an amount equivalent to the *ad valorem* property taxes or other in-lieu-of payments that would have been due and payable but for the location of the property within the Park (“Fee in Lieu of Taxes” or “FILOT”).

7. Allocation of Expenses. Lancaster County and Chesterfield County shall bear the expenses for the development, operation, maintenance and promotion of the Park and the cost of providing public services, in the following proportions:

If property is in the Lancaster County portion of the Park:

(1)	Lancaster County	100%
(2)	Chesterfield County	0%

If property is in the Chesterfield County portion of the Park:

(1)	Lancaster County	0%
(2)	Chesterfield County	100%

8. Allocation of Revenues. Lancaster County and Chesterfield County shall receive an allocation of revenue generated by the Park through payment of Fee in Lieu of Taxes (net of any special source revenue bond payments or special source revenue credits) in the following proportions:

If property is in the Lancaster County portion of the Park:

(1)	Lancaster County	99%
(2)	Chesterfield County	1%

If property is in the Chesterfield County portion of the Park:

(1)	Lancaster County	1%
(2)	Chesterfield County	99%

9. Revenue Allocation Within Each County. (A) *Host County.* Revenues generated by the Park through the payment of Fee in Lieu of Taxes shall be distributed to Lancaster County and to Chesterfield County, as applicable, according to the proportions established by Paragraph 8 of this Amended and Restated Master Agreement. With respect to revenues allocable to Lancaster County or Chesterfield County by way of FILOT generated within the respective county (the "Host County"), such revenue shall be distributed within the Host County in the manner provided by ordinance of the council of the Host County; provided, that (i) all taxing districts which overlap the applicable revenue-generating portion of the Park shall receive at least some portion of the revenues generated from such portion, and (ii) with respect to amounts received in any fiscal year by a taxing entity, the governing body of the taxing entity shall allocate the revenues received between operations and debt service of the taxing entity. Each Host County is specifically authorized to use a portion of the revenue for economic development purposes as permitted by law and as established by ordinance of the council of the Host County.

(B) *Non-Host County.* Revenues allocable to Lancaster County by way of FILOT generated within Chesterfield County shall be distributed solely to Lancaster County. Revenues allocated to Chesterfield County by way of FILOT generated within Lancaster County shall be distributed solely to Chesterfield County.

10. Fees In Lieu of Taxes Pursuant to Title 4 and Title 12 Code of Laws of South Carolina. The Parties agree that the entry by Lancaster County into any one or more fee in lieu of tax agreements pursuant to Title 4 or Title 12 of the Code of Laws of South Carolina 1976, as amended (“Negotiated Fee-in-Lieu of Tax Agreements”), with respect to property located within the Lancaster County portion of the Park and the terms of those agreements shall be at the sole discretion of Lancaster County. The Parties further agree that entry by Chesterfield County into any one or more Negotiated Fee-in-Lieu of Tax Agreements with respect to property located within the Chesterfield County portion of the Park and the terms of those agreements shall be at the sole discretion of Chesterfield County.

11. Assessed Valuation. For the purpose of calculating the bonded indebtedness limitation and for the purpose of computing the index of taxpaying ability pursuant to Section 59-20-20(3) of the Code of Laws of South Carolina 1976, as amended, allocation of the assessed value of property within the Park to Lancaster County and Chesterfield County and to each of the taxing entities within the participating counties shall be identical to the allocation of revenue received and retained by each of the counties and by each of the taxing entities within the participating counties, pursuant to Paragraphs 8 and 9 of this Amended and Restated Master Agreement.

12. Applicable Regulations. Any applicable ordinances and regulations of Chesterfield County concerning zoning, health and safety, and building code requirements shall apply to the Park properties in Chesterfield County unless the properties are within the boundaries of a municipality in which case the municipality’s applicable ordinances and regulations shall apply. Any applicable ordinances and regulations of Lancaster County concerning zoning, health and safety, and building code requirements shall apply to the Park properties in Lancaster County unless the properties are within the boundaries of a municipality in which case the municipality’s applicable ordinances and regulations shall apply.

13. Law Enforcement Jurisdiction. Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park properties in Chesterfield County is vested with the Sheriff’s Department of Chesterfield County. Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park properties in Lancaster County is vested with the Sheriff’s Department of Lancaster County. If any of the Park properties located in either Chesterfield County or Lancaster County are within the boundaries of a municipality, then jurisdiction to make arrests and exercise law enforcement jurisdiction is vested with the law enforcement officials of the municipality.

14. Severability. If any provision or any part of a provision of this Amended and Restated Master Agreement is held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Amended and Restated Master Agreement.

15. Amendments. The provisions of this Amended and Restated Master Agreement may be modified or amended only in a writing signed by the Parties.

16. Headings and Catch Lines. The headings of the paragraphs and subparagraphs of this Amended and Restated Master Agreement are inserted for convenience only and do not constitute a part of this Amended and Restated Master Agreement.

17. Governing Law. This Amended and Restated Master Agreement, and all documents executed in connection with it, shall be construed in accordance with and governed by the laws of the State of South Carolina.

18. Counterparts. This Amended and Restated Master Agreement may be executed in any number of counterparts, and all of the counterparts taken together constitute one and the same instrument.

19. Binding Agreement. This Amended and Restated Master Agreement is binding upon and shall inure to the benefit of the respective Parties.

20. Merger. This Amended and Restated Master Agreement, and all documents executed in connection with it, express the entire understanding and all agreements of the Parties with each other, and neither Lancaster County nor Chesterfield County has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Amended and Restated Master Agreement.

21. Waiver. Either party may waive compliance by the other party with any term or condition of this Amended and Restated Master Agreement only in a writing signed by the waiving party. The failure or delay on the part of any party hereto in exercising any right, power, or remedy hereunder shall not 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.

22. Termination. (A) *Duration and Renewal.* This Amended and Restated Master Agreement commences on the Effective Date and ends on December 31, 2063, *provided*, that this Amended and Restated Master Agreement is automatically extended for a renewal term of ten (10) years, and for not more than a total of five (5) ten (10) year renewal terms, unless either Lancaster County or Chesterfield County gives written notice to the other not less than one hundred eighty (180) days prior to the end of the applicable term that the party objects to the extension of this Amended and Restated Master Agreement. If either county gives written notice to the other of its objection to the extension of this Amended and Restated Master Agreement, then the county in which the real property is located shall give notice of the termination of this Amended and Restated Master Agreement to the owner of the real property and, if applicable, the lessee of any real property, located within the Park in that county not less than ninety (90) days prior to the end of the applicable term and the notice shall be provided in the manner set forth in subparagraph (B)(3) of Paragraph 5 of this Amended and Restated Master Agreement.

(B) *Mutual Termination.* Notwithstanding the provisions of subparagraph (A) of this Paragraph 22, the Parties may mutually agree to terminate this Amended and Restated

Master Agreement at any time upon passage of an ordinance to that effect by each county and after conducting a public hearing and giving notice as set forth in subparagraph (B)(3) of Paragraph 5 of this Amended and Restated Master Agreement.

WITNESS our hands and seals as of the date first above written.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy
Chair, County Council

Steve Harper
Secretary, County Council

(Seal)

ATTEST:

Debbie C. Hardin
Clerk to Council

CHESTERFIELD COUNTY SIGNATURES FOLLOW ON NEXT PAGE.

CHESTERFIELD COUNTY, SOUTH CAROLINA

(SEAL)

J. Matthew Rivers
Chair, County Council

ATTEST:

Betty M. Boswell
Clerk to Council

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EXHIBIT A (Lancaster County)

Lancaster County Property

A. Properties included pursuant to Lancaster County Ordinance No. 2013-1230, enacted on December 9, 2013 and effective July 1, 2014:

U.S. 521 –Northfield Drive-Business Park

<u>Tax Map No.</u>	<u>Owner</u>
0010-00-050.00	LIP Lot 14 LLC
0010-00-050.03	Little Buildings LLC
0010-00-050.05	William O. Powers
0010-00-050.06	South Atlantic Environmental
0010-00-050.08	Lancaster Industrial Park LLC
0010-00-050.09	Lancaster Industrial Park LLC
0010-00-050.10	Lancaster Industrial Park LLC
0010-00-050.11	John F. Shepherd
0010-00-050.12	C.W. Bennett
0010-00-050.13	Lancaster Industrial Park LLC
0010-00-050.14	G&G 9106 Northfield Drive LLC
0010-00-050.15	G&G 9106 Northfield Drive LLC
0010-00-050.16	G&G 9106 Northfield Drive LLC
0010-00-050.17	Thomas Concrete of Carolina
0010-00-050.18	Cemex Construction Materials
0010-00-050.19	Concrete Supply Co.

Lancaster County Air Rail Park

<u>Tax Map No.</u>	<u>Owner</u>
0066-00-039.00	Fancy Pocket USA Holdings, Inc.
0066-00-040.00	Lancaster County
0083-00-007.01	Lancaster County

S.C. 9 – U.S. 521 By-Pass Business Park

<u>Tax Map No.</u>	<u>Owner</u>
0061-00-104.02	Turnils Inc.
0061-00-104.04	Metso/Jim Loen 2008 LLC
0068-00-018.01	Nutramax
0068-00-018.06	Nutramax
0068-00-018.07	Nutramax

0068-00-018.03

Risc LLC (Cooley Bldg)

S.C. 160 - McMillian Park

Tax Map No.

Owner

0007-00-008.00

DVG Real Property LLC

0007-00-008.03

Allegiance (Cardinal Health)

0007-00-008.05

Kennametal

B. Properties included pursuant to Lancaster County Ordinance No. 2014-1313, enacted on November 10, 2014 and effective November 10, 2014:

1320 Camp Creek Road

Tax Map No.

Owner

0068F-0B-007.00

RAL Industries LLC

C. Properties included pursuant to Lancaster County Ordinance No. 2015-1324, enacted on February 9, 2015 and effective February 9, 2015:

1531 Camp Creek Road

Tax Map No.

Owner

0068-00-035.00

Silgan Containers Manufacturing
Corporation

D. Properties included pursuant to Lancaster County Ordinance No. 2015-1352, enacted on November 9, 2015 and effective November 9, 2015:

1759 Flat Creek Road

Tax Map No.

Owner

0080-00-001.00
(Nutramax)

Hosiery Corporation of America

3888 Chester Highway (S.C. 9)

Tax Map No.

Owner

0066-00-033.00

Lancaster County

--XX--

EXHIBIT B (Chesterfield County)
Chesterfield County Property

Properties included pursuant to Chesterfield County Ordinance No. 14-15-20, enacted on November 4, 2015 and effective _____, 2015:

755 State Road S-13-680

Tax Map No.

Owner

37-58

DC Custom Freight, LLC
d/b/a Fiber Fuels

U.S. 601 Near State Road 13-580 (Philadelphia Church Road)

Tax Map No.

Owner

18-201

TS4, LLC/Titan Stainless of North
Carolina, Inc.

506 Usher

Tax Map No.

Owner

31-8-1-14 and 31-8-01-11 (p/o)

TS4, LLC/Titan Stainless of North
Carolina, Inc.

Rollins Road

Tax Map No.

Owner

32-97

Conbraco Industries, Inc.

Intersection of S13-513 and S.C. Highway 151 Business

Tax Map No.

Owner

32-7

Conbraco Industries, Inc.

3.14 acres, Hwy. 1

<u>Tax Map No.</u>	<u>Owner</u>
259-11-4-2	Carolina Cannery, Inc.

Andrew Bloomfield Home Place

<u>Tax Map No.</u>	<u>Owner</u>
259-11-4-1	Carolina Cannery, Inc.

14.94 acres, U.S. Highway 52

<u>Tax Map No.</u>	<u>Owner</u>
259-11-4-3	Carolina Cannery, Inc.

S. C. Highway 9

<u>Tax Map No.</u>	<u>Owner</u>
258-14-4-1	Highland Industries, Inc.

North of Evans Row Road

<u>Tax Map No.</u>	<u>Owner</u>
259-12-4-7	Schaeffler Group

S.C. Highway S-13-388 and Oak Street

<u>Tax Map No.</u>	<u>Owner</u>
259-1	Schaeffler Group

22.84 Acres West of Town of Cheraw

<u>Tax Map No.</u>	<u>Owner</u>
244-10	Schaeffler Group

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STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2015-1365

COUNTY OF LANCASTER

)

AN ORDINANCE

TO AMEND THE OFFICIAL ZONING MAP OF LANCASTER COUNTY SO AS TO REZONE PROPERTY OF REID WILKERSON/NBI INVESTMENTS III LLC, LOCATED AT 182 SPICE ROAD FROM R-15P, MODERATE DENSITY RESIDENTIAL/AGRICULTURAL PANHANDLE DISTRICT TO I-1, LIGHT INDUSTRIAL DISTRICT; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and Determinations.

The Council finds and determines that:

(a) Steve Willis, Lancaster County Administrator, (per County Council) applied to rezone property located at 182 Spice Road from R-15P, Moderate Density Residential/Agricultural Panhandle District, to I-1, Light Industrial District.

(b) On July 21, 2015, the Lancaster County Planning Commission held a public hearing on the proposed rezoning and, by a vote of 4-2, recommended to deny the rezoning.

Section 2. Rezoning.

The Official Zoning Map is amended by changing the zoning district classification from R-15P, Moderate Density Residential/Agricultural District to I-1, Light Industrial District for the following property(ies) as identified by tax map number or other appropriate identifier:

Tax Map No. 0010-00-001.00.

Section 3. Severability.

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 4. Conflicting Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 5. Effective Date.

This ordinance is effective upon third reading.

And it is so ordained, this _____ day of September, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

First Reading: August 10, 2015	Passed 6-1
Second Reading: August 24, 2015	Passed 6-1
Third Reading: November 9, 2015	Tentative

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The Lancaster News

701 North White Street
PO Box 640
Lancaster, SC 29721
803-283-1133

NOTICE OF PUBLIC HEARING

Lancaster County Council

A public hearing has been scheduled by the Lancaster County Council for Monday, November 9, 2015, at 6:30 p.m. in the Lancaster County Council Chambers, second floor, County Administration Building, 101 North Main Street, Lancaster, South Carolina, or at such other location in or around the complex posted at the main entrance. The purpose of the public hearing is to receive public comment on an ordinance titled "AN ORDINANCE TO AUTHORIZE THE EXECUTION AND DELIVERY OF AN INFRASTRUCTURE CREDIT AND INCENTIVE AGREEMENT BY AND BETWEEN LANCASTER COUNTY, SOUTH CAROLINA, AND PROJECT SEATING PROVIDING FOR SPECIAL SOURCE REVENUE CREDITS AND THE SALE TO PROJECT SEATING OF APPROXIMATELY 15.58 ACRES OF LAND LOCATED AT 3888 CHESTER HIGHWAY (S.C. 9), TAX PARCEL NO. 0066-00-033.00; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO." At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee.

This is to certify that the attached Legal Notice was published in The Lancaster News in the issue of 10/25/15


Notary Public of South Carolina

My Commission Expires February 10, 2020

ORDINANCE NO. 2015-1380

TO AUTHORIZE THE EXECUTION AND DELIVERY OF AN INFRASTRUCTURE CREDIT AND INCENTIVE AGREEMENT BY AND BETWEEN LANCASTER COUNTY, SOUTH CAROLINA, AND 3i PRODUCTS, INC., PROVIDING FOR SPECIAL SOURCE REVENUE CREDITS AND THE SALE TO 3i PRODUCTS, INC., OF APPROXIMATELY 15.58 ACRES OF LAND LOCATED AT 3888 CHESTER HIGHWAY (S.C. 9), TAX PARCEL NO. 0066-00-033.00; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

Section 1. *Findings and determinations; Purpose.*

(1) Lancaster County, South Carolina ("County"), acting by and through its County Council ("Council") is authorized by Sections 4-1-175 and 4-29-68 of the Code of Laws of South Carolina 1976, as amended (collectively, the "Infrastructure Credit Act"), to provide special source revenue credits for the purpose of defraying certain costs, including, without limitation, the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County or the project and for improved and unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise, all to enhance the economic development of the County;

(2) pursuant to Article VIII, section 13(D) of the South Carolina Constitution and Sections 4-1-170, -172, and -175 of the Code of Laws of South Carolina 1976, as amended (the "MCP Law"), the County is authorized to develop multi-county industrial parks with other

qualifying counties and, in its discretion, include within the boundaries of such parks the property of qualifying industries;

(3) 3i Products, Inc., a South Carolina limited liability company, its affiliated and related entities and assigns ("Company"), is planning an investment consisting of the expenditure of approximately \$3,100,000 ("Investment") along with the creation of approximately 100 new, full-time jobs ("Jobs") through the acquisition, construction, lease and purchase of certain land, buildings, furnishings, fixtures and equipment in order to expand its electronic equipment manufacturing facility within the County ("Project");

(4) the County owns the land and building consisting of approximately 15.58 acres located at 3888 Chester Highway (S.C. 9), Tax Parcel No. 0066-00-033.00 ("Project Site");

(5) the Company plans to purchase the Project Site from the County for the sum of \$500,000, for the purpose of undertaking the Project in the County; and

(6) in connection with the Project, the Company has requested the County to enter into one or more agreements, to the extent and subject to the conditions provided in those agreements, to establish the commitments of (i) the Company to make the Investment, create the Jobs and purchase the Project Site, (ii) the County to provide certain special source revenue credits against certain payments in lieu of taxes made in connection with the Project, (iii) the County to sell the Project Site to the Company, and (iv) the County to designate the Project Site as a multi-county park pursuant to the MCP Law.

B. It is the purpose of this ordinance to provide for the approval of the above-referenced requests of the Company.

Section 2. *Additional findings.*

Council finds, based on information provided by the Company, that (i) the Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally, (ii) the Project gives rise to no pecuniary liability of the County or any incorporated municipality and to no charge against its general credit or taxing power, (iii) the purposes to be accomplished by the Project are proper governmental and public purposes, and (iv) the benefits of the Project to the public are greater than the costs to the public.

Section 3. *Cost-benefit findings.*

Council makes the following findings concerning the costs and benefits of the Project:

(a) the benefits of providing the incentives arrangement set forth in the Infrastructure Credit and Incentive Agreement include (i) investment in real and personal property of at least \$3,100,000, (ii) an average annual increase in property taxes (FILOT payments) of approximately \$37,493 after application of incentives, (iii) construction benefit of \$311,874, (iv) facility operation benefit of \$2,316,761, (v) employee benefit of \$18,637, and (vi) visitor benefit of \$0. The total benefit is estimated at \$2,647,272.

(b) the cost of providing the incentives arrangement is estimated at (i) development costs of \$0, (ii) operational costs of \$601,727, and (iii) employee costs of \$76,703. The total cost is estimated at \$678,430.

(c) the benefit to cost ratio in year one is estimated at \$3.63:\$1.00 and after year one at \$3.18:\$1.00.

(d) the value of the FILOT incentive to the Company is estimated at \$0 and the special source revenue credits at \$601,727 (Credit No. 1 -- \$544,491; Credit No. 2 -- \$57,236).

Section 4. *Economic Development Fund.*

(A) Council finds that (i) by passage of Ordinance No. 2014-1260, Council created an Economic Development Fund with the intent to make monies available to the fund from new revenues to the County derived from new and expanded businesses and industry, and (ii) the ability to make monies available to the Economic Development Fund can be difficult because of complexities and legalities applicable to fee-in-lieu of tax arrangements and multi-county parks.

(B) It is the intent of Council, in the annual County budget, to appropriate monies to the Economic Development Fund based on the new revenue that the County receives pursuant to the Infrastructure Credit and Incentive Agreement. Specifically, it is Council's intent to appropriate from the General Fund of the County an amount based on the following formula: Seven percent (7%) times the amount of money received pursuant to the Infrastructure Credit and Incentive Agreement by the County after distribution to other taxing entities in the most recently completed tax year.

Section 5. *Authority to execute Infrastructure Credit and Incentive Agreement; Approval of sale; Termination of authority.*

(A) The form, terms, and provisions of the Infrastructure Credit and Incentive Agreement, attached hereto as Exhibit A, are approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the Infrastructure Credit and Incentive Agreement was set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute and acknowledge the Infrastructure Credit and Incentive Agreement in the name of and on behalf of the County, and thereupon to cause the Infrastructure Credit and Incentive Agreement to be delivered to the Company. The Infrastructure Credit and Incentive Agreement is to be in substantially the form as attached to this ordinance and hereby approved, with such changes therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, upon the advice of counsel to the County, such officer's execution thereof to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form of the Infrastructure Credit and Incentive Agreement attached to this ordinance.

(B) Included in the Infrastructure Credit and Incentive Agreement are provisions providing for the sale of the Project Site to the Company for \$500,000. Council authorizes and approves the sale of the Project Site to the Company.

Section 6. *Further acts.*

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are each authorized and directed to do any and all things necessary to effect the execution and delivery of the Infrastructure Credit and Incentive Agreement and the performance of all obligations of the County under and pursuant to the Infrastructure Credit and Incentive Agreement. The authority of the County Administrator includes the authority to execute and delivery a deed for the Project Site, consistent with the terms of the Infrastructure Credit and Incentive Agreement, to the Company.

Section 7. *Severability.*

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section 8. *Controlling provisions.*

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, orders and resolutions, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 9. *Effective date.*

This ordinance is effective upon third reading.

And it is so ordained, this 9th day of November, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

Attest:

Debbie C. Hardin, Clerk to Council

First Reading:	October 26, 2015	Passed 7-0
Second Reading:	October 29, 2015	Passed 5-0
Council Public Hearing:	November 9, 2015	Tentative
Third Reading:	November 9, 2015	Tentative

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Exhibit A to Ordinance No. 2015-1380

**Infrastructure Credit and Incentive Agreement
between
3i Products, Inc. and Lancaster County**

See attached.

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INFRASTRUCTURE CREDIT AND INCENTIVE AGREEMENT

BY AND BETWEEN

3i PRODUCTS, INC.

AND

LANCASTER COUNTY, SOUTH CAROLINA

NOVEMBER 9, 2015

**PREPARED BY:
PARKER POE ADAMS & BERNSTEIN LLP
1201 MAIN STREET, SUITE 1450
COLUMBIA, SOUTH CAROLINA 29201
(803) 255-8000**

INFRASTRUCTURE CREDIT AND INCENTIVE AGREEMENT

THIS INFRASTRUCTURE CREDIT AND INCENTIVE AGREEMENT ("**Agreement**") is made and entered into as of November 9, 2015 (the "**Agreement Date**"), by and among Lancaster County, South Carolina ("**County**"), a body politic and corporate and a political subdivision of the State of South Carolina ("**State**"), acting by and through the Lancaster County Council ("**County Council**") as the governing body of the County and 3i Products, Inc., a South Carolina limited liability company, its affiliated and related entities and assigns ("**Company**") and any other party that may join as a Project Affiliate as that term is defined in this Agreement (hereinafter, the County, the Company, and any Project Affiliate are referred to collectively as "**Parties**," and individually as a "**Party**").

WITNESSETH:

(a) The County, acting by and through its County Council is authorized (i) by Sections 4-1-175 and 4-29-68 of the Code of Laws of South Carolina 1976, as amended (collectively, the "**Infrastructure Credit Act**"), to provide special source revenue credits for the purpose of defraying certain costs, including, without limitation, the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County or the Project (defined below) and for improved and unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise, all to enhance the economic development of the County; and (ii) by Article VIII, Section 13(D) of the Constitution of the State of South Carolina, and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code of Laws of South Carolina 1976, as amended (collectively, the "**MCP Law**") to create and expand, in conjunction with one or more other counties, joint county industrial or business parks in order to facilitate the grant of such special source revenue credits;

(b) The Company, along with any Project Affiliate, is planning to complete by December 31, 2018 (the "**Compliance Date**") an investment consisting of the expenditure of not less than \$3,100,000 ("**Minimum Investment Commitment**") and the creation of not less 100 new, full-time jobs ("**Minimum Jobs Commitment**") in connection with the acquisition by construction, lease and purchase of certain land, buildings, furnishings, fixtures, and equipment, for the purpose of locating a manufacturing facility in the County (collectively, "**Project**");

(c) The Investment may consist of investment made by the Company and any Project Affiliate and shall include the price paid by the Company to the County for the purchase of the Project Site, as that term is defined below, and shall also include grant funds received from the State of South Carolina, which funds are expected to total \$150,000;

(d) The County owns the land and building consisting of approximately 15.58 acres located at 3888 Chester Highway (S.C. 9), Tax Parcel No. 0066-00-033.00 ("**Project Site**");

(e) The Company proposes to purchase the Project Site from the County, pursuant to a Purchase and Sale Agreement, to undertake the Project in the County;

(f) The Project, including the Project Site, will be placed in a multi-county industrial park established pursuant to the MCP Law ("**Park Agreement**");

(g) The term Project Affiliate refers to an affiliate that joins with or is an affiliate of the Company who executes and delivers a Joinder Agreement in a form substantially similar to that attached hereto as **Exhibit B**; and whose investment with respect to the Project shall (i) be considered part of the Investment

for purposes of this Agreement and (ii) be qualified to receive the benefits pursuant to this Agreement and the Infrastructure Credit Act; and

(h) The County proposes to provide to the Company, along with any Project Affiliate, and as an incentive to proceed with the Project and the purchase of the Project Site, infrastructure credits as allowed by the Infrastructure Credit Act.

NOW, THEREFORE, IN CONSIDERATION of the respective representations and agreements contained in this Agreement, the Parties agree to the following:

Article I General

Section 1.01. *Incorporation.* The above recitals are incorporated into this Agreement as if the recitals were set out in this Agreement in its entirety.

Article II Purchase and Sale Agreement

Section 2.01. *Definitions.* As used in this Article, “**Company**” means 3i Products, Inc. , a South Carolina limited liability company, its affiliated and related entities and assigns.

Section 2.02. *Sale of Property.* County agrees to convey and Company agrees to accept on the terms hereafter stated, the Project Site, together with any and all improvements thereon and appurtenances thereto, as described in the attached **Exhibit A**. At its option, Company shall have the property surveyed prior to Closing and, subject to County’s reasonable approval, any updated legal description from the survey may be attached in addition to the existing Exhibit A. Notwithstanding the provisions of this Article II, Company’s obligations herein are conditioned upon the Inspection Period, defined below.

Section 2.03. *Inspection.* Any provision hereof to the contrary notwithstanding, Company shall have until forty-five (45) days after the Agreement Date (the “**Inspection Period**”) to perform development studies, financial analyses, feasibility studies, inspections, utility studies, storm drainage analyses, soil tests, surveys, appraisals, environmental studies, title searches, and such other tests, evaluations and examinations of the Project Site as Company may desire. Within ten (10) days after the Agreement Date, County shall provide to Company copies of any and all outstanding written contracts, agreements, permits, letters of intent, surveys, plans, environmental studies conducted by County, license agreements, title insurance policies, easement agreements, restrictive covenants, other title documents and other such documents concerning the Project Site in County’s possession. In the event the results of Company’s tests, evaluations and analyses are not satisfactory to Company in its sole discretion or if for any other reason Company elects not to purchase the Project Site, Company may on or before the last day of the Inspection Period terminate this Agreement by written notice to County. In such event, this Agreement shall be deemed terminated, and Company shall have no obligation to purchase the Project Site. In the event Company does not terminate this Agreement within said time period, this Agreement shall remain in full force and effect. Company agrees to indemnify and hold harmless the County from all liabilities, claims, damages, liens, costs, and expenses (including reasonable attorneys’ fees) in connection with the inspection of the Project Site.

Section 2.04. *Title/Purchase Price.* At closing, in exchange for payment of the sum of Five Hundred Thousand Dollars (\$500,000.00) (the “**Purchase Price**”), County shall convey to the Company good and marketable fee simple title to the Project Site by limited warranty deed free and clear of all leases, liens, encumbrances (other than easements and rights of way of record as of the Agreement Date) and mortgages.

Company shall cause the title to the Project Site to be examined prior to Closing. Prior to Closing (hereinafter defined), Company shall submit to County notice in writing of any objections to title, including but not limited to any matters shown on any new survey of the Project Site (the "**Title Objections**"). Subject to the terms herein, the County shall have until the Closing to correct, at County's sole cost and expense, the Title Objections. If, at Closing, County has not corrected all the Title Objections to Company's sole and absolute satisfaction, Company shall have the option to accept such title as County delivers at Closing; or to terminate this Agreement, and this Agreement shall automatically become null and void. Title Objections that are not corrected at Closing and over which Company takes title, in addition to matters of title on the Agreement Date as to which Company did not object, shall be referred to as "**Permitted Encumbrances**."

Section 2.05. Closing. Company and County agree that the closing of the purchase and sale of the Project Site ("**Closing**") will be consummated on or before thirty (30) days following expiration of the Inspection Period, on a date to be selected by Company with no less than ten (10) days prior notice to County, in the office of the Company's counsel in Columbia, South Carolina (the "**Closing Date**"). In any event, Company shall have the option to consummate the Closing on a date prior to the expiration of the Inspection Period. At Closing, the County will deliver or cause to be delivered to the Company such additional documents, including any documents required by Company's title insurer and attorney as may be reasonably required by the Company to consummate the sale of the Project Site to the Company. The County will pay the following costs: the County's attorney's fees, and the preparation of the Deed. The Company will pay the following amounts and costs: the Purchase Price via wire transfer to County at Closing in U.S. dollars, the Company's attorney's fees, recording fee to record the deed, transfer fees and documentary stamps applicable to the deed and costs to obtain any inspections, survey and title insurance desired by the Company. At Closing, County shall deliver the following:

- (i) a duly executed and acknowledged limited warranty deed in recordable form conveying fee simple title to the Project Site using the legal descriptions contained in the deeds into the County and subject to County's reasonable approval, also referencing the description set forth on the Company's survey to be recorded;
- (ii) a duly executed lien affidavit satisfactory for the applicable title company to remove the mechanic's lien exception applicable to the County (but not for liens created by the Company) and free of the rights of parties in possession except as allowed under this Agreement;
- (iii) such other documents as the applicable title company may reasonably request to evidence the County's authority to execute and perform under this Agreement and to execute and deliver all documents conveying the Project Site to Company;
- (iv) a certificate given under penalty of perjury and on a form approved under temporary regulations promulgated under Section 1445 of the Internal Revenue Code of 1986, as amended, that County is not a foreign person; and
- (v) possession of the Project Site free of the rights and claims of others subject to the Permitted Encumbrances.

Section 2.06. Possession. Possession of the Project Site will be delivered to the Company on the Closing Date free from leases and parties claiming any rights to possession in or ownership to the Project Site, subject to the Permitted Exceptions.

Section 2.07. Buyer's acknowledgment. COMPANY ACKNOWLEDGES THAT COMPANY IS PURCHASING THE PROJECT SITE FROM THE COUNTY "AS IS" AND, EXCEPT FOR THE WARRANTY IN SECTION 2.08 AND THE LIMITED WARRANTY DEED, WITHOUT WARRANTY

OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE CONDITION OF THE PROJECT SITE, ITS FITNESS FOR ANY PARTICULAR PURPOSE, OR ITS COMPLIANCE WITH ANY LAWS AND REGULATIONS. COMPANY ACKNOWLEDGES THAT DURING THE INSPECTION PERIOD, COMPANY WILL SATISFY ITSELF ON ALL SUCH MATTERS.

Section 2.08. *Environmental matters.* County warrants that, to the actual knowledge of the County's County Administrator, it has no knowledge of any facts with respect to the environmental condition of the Project Site other than as may be referenced in (1) Phase I Environmental Site Assessment dated April 19, 2012 prepared by Summit Engineering and Construction Services, Inc. (Summit Project No. GE-2321-12) (Engineer: Michael D. Zavislak); (2) Preliminary Wetlands Determination Requests and report by Summit Engineering and Construction Services, Inc. dated February 17, 2012; (3) Phase I Environmental Site Assessment dated November 7, 2008 prepared for the County of Lancaster, South Carolina by ARM Environmental Services, Inc. (ARM Project # 07-615-08); and (4) Property Inspection Reports prepared by LESCO Restorations, Inc. dated November 4 and November 5, 2008. County has delivered copies of the foregoing reports to Company and Company acknowledges that County has no ability to give Company any right to rely upon such reports.

Section 2.09. *Assignment of article.* The right to purchase the Project Site, as provided in this Article, may not be assigned by Company without the consent of County which consent shall not be unreasonably withheld. County hereby consents to an assignment of the provisions of this Article to a third-party affiliate of Company, meaning any party that is controlling, controlled by, or under common control with Company.

Section 2.10. *Temporary Right of First Refusal; Performance Requirement.*

(a) *Temporary Right of First Refusal.* Company agrees that the County has the right to reserve in the deed in which the County conveys title to the Project Site to the Company a right of first refusal (the "**Right of First Refusal**") granting the County the right (subject to the Performance Requirement below), but not the obligation, to cause the Company to reconvey the Project Site to the County for the consideration of FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) in the event the Company offers to sell the Project Site to any unrelated third party within five (5) years from the date of conveyance of the Project Site from the County to the Company.

(b) *Performance Requirement.* In any event, the Right of First Refusal shall terminate immediately upon the Company's completion of the Performance Requirement. As used in this Section, "**Performance Requirement**" means the expenditure of not less than \$1,000,000 (including the amount of \$500,000 paid as the Purchase Price) for improvements to the Project Site as evidenced by documents including, but not limited to, proof of payment to contractors and suppliers and binding written contracts for the construction or installation of improvements. At any time after the Company has completed the Performance Requirement, the County agrees to execute, within ten (10) business days after requested by the Company, a recordable document acknowledging termination of the Right of First Refusal.

Section 2.11. *Survival.* The covenants and warranties contained in this Article II shall survive the Closing of the Project Site.

Section 2.12. *Termination.* If the Company does not terminate this Agreement during the Inspection Period and Company fails to Close by the Closing Date, then, unless extended by written agreement of the parties, this Agreement shall terminate.

Article III Infrastructure Credits

Section 3.01. *Multi-county park status; Payments in lieu of tax.*

(a) *Multi-county park status.* County agrees to include the Project Site in a multi-county park established pursuant to the MCP Law for the period beginning not later than when the Company receives title to the Project Site and ending not sooner than the date this Agreement is terminated. Company acknowledges and agrees that County's obligation to include the Project Site in a multi-county park is subject to the approval of, and the exercise of discretion by, a governmental entity other than the County and the approval, and exercise of discretion, by the other governmental entity is not controlled by the County.

(b) *Fee payments.* Company agrees that, by virtue of the inclusion of the Project Site in a multi-county park and the exemption from all *ad valorem* taxation for real and personal property having a *situs* in the multi-county park, it shall make annual payments in lieu of taxes to the County in the total amount equivalent to the *ad valorem* property taxes or other fee-in-lieu-of-taxes that would have been due and payable with respect to such real and personal property but for the location of such real and personal property within the multi-county park (each, a "**Fee Payment**"). The Company agrees that the Fee Payments are to be made annually and are to be collected and enforced as provided in Section 12-2-90 of the Code of Laws of South Carolina 1976, as amended.

Section 3.02. *Infrastructure Credits.*

(a) *Infrastructure Credit #1.* Subject to the provisions herein, the County grants an annual infrastructure credit ("**Infrastructure Credit #1**") for a period of twenty (20) years ("**Credit Period #1**") to the Company and any Project Affiliate against each Fee Payment in an amount that would allow the Company's remaining fee payments, after deduction of Infrastructure Credit #1 but before deduction of Infrastructure Credit #2, to be equivalent to an amount calculated using a 6% assessment ratio and a millage rate of 301.1. Infrastructure Credit #1 shall apply to the annual Fee Payments due with respect to the Project in connection with investments made during the remainder of the 2015 calendar year, and in service as of December 31, 2015, and for each year thereafter through December 31, 2020 ("**Investment Period**"). Credit Period #1 shall commence in the first property tax year for which any Fee Payment becomes due. The Parties anticipate that the first year of Credit Period #1 will begin in property tax year 2016 (*i.e.*, since the Fee Payment for investments made in 2015 will be invoiced to the Company and any of the Project Affiliate(s) in property tax year 2016 and payable on January 15, 2017) and that the last year of Credit Period #1 will be the property tax year in which the last Fee Payment against which any Infrastructure Credit is applied, anticipated to be property tax year 2035, as extended.

(b) *Infrastructure Credit #2.* In addition to Infrastructure Credit #1, the County grants an annual infrastructure credit ("**Infrastructure Credit #2**") to the Company and any Project Affiliate against each annual Fee Payment in an amount equal to 25% of the remaining fee payment liability, after deduction of Infrastructure Credit #1, each year for a period of five (5) years ("**Credit Period #2**"). Infrastructure Credit #2 shall apply to the Fee Payments due with respect to the Project beginning with Fee Payments due January 15, 2017 and for each year thereafter through Fee Payments due January 15, 2021.

(c) *Application of Infrastructure Credits.* Any infrastructure credit provided under this Agreement shall be used to reimburse the Company and any Project Affiliate for eligible expenditures, as permitted by the Infrastructure Credit Act, which includes the cost of designing, acquiring, constructing,

improving, or expanding the infrastructure serving the Company's property, for improved or unimproved real estate or for machinery and equipment ("**Eligible Expenditures**"). The infrastructure credit benefits shall be first deemed to be applied to the Eligible Expenditures of the Company, with any remaining infrastructure credit benefit to be applied to the Eligible Expenditures of the Project Affiliate, the allocation of which shall be determined in the sole discretion of the Company. The Company, and each Project Affiliate, agree that, as of any date during the term of this Agreement, the cumulative dollar amount expended by the Company on Eligible Expenditures shall equal or exceed the cumulative dollar amount of Infrastructure Credits #1 and #2 received by the Company and any Project Affiliate.

(d) Payment of Eligible Expenditures. The Company, and any Project Affiliate, agrees to pay for, or cause to be paid, all costs of the Eligible Expenditures as and when due.

(e) Clawbacks; Termination.

(1) If either or both of the Minimum Investment Commitment and the Minimum Jobs Commitments are not satisfied by the Compliance Date, then this Agreement is terminated and neither the Company nor any Project Affiliate is eligible for Investment Credit #1 or Investment Credit #2. Upon such termination, all Fee Payments shall revert retroactively to payments calculated without regard to Investment Credit #1 or Investment Credit #2 (but with regard to any applicable property tax exemptions), and a deficiency payment from each such owing entity shall be due and payable with respect to the Fee Payments theretofore made. The amount of such deficiency payment is the difference between the amount paid by the Company and Project Affiliate as Fee Payments each year as adjusted for Investment Credit #1 and Investment Credit #2 and the amount the Fee Payments would have been without adjustment for Investment Credit #1 or Investment Credit #2. Deficiency payments due to the County from either the Company or a Project Affiliate under this subsection (e)(1) shall be paid within ninety (90) days following receipt by the entity of notice from the County that a deficiency payment is due and the amount due shall be collected and enforced in accordance with Section 12-2-90 of the Code of Laws of South Carolina 1976, as amended. The Company and Project Affiliate each agree that under no circumstance shall the County be required to refund or pay any monies to the Company or Project Affiliate pursuant to this subsection (e)(1).

(2) If both the Minimum Investment Commitment and the Minimum Jobs Commitment are satisfied by the Compliance Date, but following the Compliance Date, the number of new, full-time jobs falls below fifty (50), then this Agreement is terminated and the Project shall prospectively be subject to Fee Payments calculated without Investment Credit #1 or Investment Credit #2, beginning with the Fee Payments due with respect to the Project property as of the end of the property tax year in which such short fall occurs.

(3) Notwithstanding any other provision of this Agreement, the Company acknowledges and agrees that County's obligation to provide Investment Credit #1 and Investment Credit #2 ends, and this Agreement shall terminate prospectively beginning with the Fee Payments due with respect to the Project property as of the end of the property tax year in which the Company or Project Affiliate closes or otherwise ceases operations in the County for a period of at least forty-five (45) consecutive days. The provisions of this subsection (e) relating to deficiency payments apply if this Agreement is terminated in accordance with this subsection (e)(3) prior to the requirements in subsection (e)(1) being satisfied.

(f) Annual Certifications. Each year, the Company shall deliver to the County, the County Auditor, the County Assessor, and the County Treasurer, a completed Credit Certification Form (attached to this Agreement as **Exhibit C** and incorporated herein as if it were set out in this Agreement in its

entirety) on or before May 31 following the year for which the Credit Certification Form applies, with the first Credit Certification Form being due on or before May 31, 2016, in accordance with the instructions set forth therein. If the Company fails to submit the Credit Certification Form by May 31 of the applicable year, then the Company agrees that it forfeits Infrastructure Credit #1 and Infrastructure Credit #2 for the then current year.

Section 3.03. *Annual filings.* Each year during the term of this Agreement, the Company shall deliver to the County, the County Auditor, the County Assessor, and the County Treasurer, a copy of its most recent annual filings with the South Carolina Department of Revenue (the “SCDOR”) with respect to the Project, not later than 30 days following delivery thereof to the SCDOR.

Section 3.04. *Reliance on SCDOR filings and other Evidence.* For purposes of determining the amount expended on Eligible Expenditures and for determining whether the Company has met or exceeded the Minimum Investment Commitment, the County and Company agree that the County may rely on either (1) the gross costs of property reported by the Company on its most recently filed PT-300 series form (or comparable SCDOR form) or (2) other supporting documentation of amounts expended on Eligible Expenditures as equivalent to the cumulative dollar amount expended by the Company on the applicable item.

Section 3.05. *Addition of Project Affiliates.* Any Project Affiliate may join as a Party to this Agreement, without the approval of County Council, provided that it agrees to be bound by the terms of that Joinder Agreement attached as Exhibit B, a fully executed copy of which will be delivered to the County.

Section 3.06. *Right to inspect; Confidential information.*

(a) ***Right to inspect.*** The Company agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all of the Company’s books and records pertaining to the Project. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by the Company to protect the Company’s confidentiality and proprietary rights. Any such entrance upon and examination and inspection of the Project shall be at the County’s expense.

(b) ***Confidential information.*** The County acknowledges and understands that the Company may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Company’s operations and processes (“**Confidential Information**”) and that any disclosure of the Confidential Information could result in substantial harm to the Company and could have a significant detrimental impact on the Company’s employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Company, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Company and give the Company the opportunity to contest the release.

Article IV
Miscellaneous

Section 4.01. *Administrative expenses.*

(a) *Administrative expenses.* The Company agrees to reimburse the County from time to time for its Administrative Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administrative Expenses. As used in this section, "**Administrative Expenses**" means the reasonable and necessary out-of-pocket expenses, including attorneys' fees, incurred by the County with respect to: (i) the preparation, review, approval and execution of this Agreement, (ii) the preparation, review, approval and execution of other documents related to this Agreement and any multi-county park documents; and (iii) the fulfillment of its obligations under this Agreement and any multi-county park documents, and in the implementation and administration of the terms and provisions of the documents after the date of execution thereof. Administrative Expenses does not include the costs that County is to pay pursuant to Section 2.05 of Article II. The Company and the County agree that the Administrative Expenses are not intended to exceed \$4,000 in the aggregate.

(b) *Expense of experts.* The Company agrees to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual Fee Payments and Infrastructure Credit #1 and Infrastructure Credit #2, provided, however, the maximum annual reimbursement pursuant to this subsection is capped at one thousand dollars (\$1,000.00).

Section 4.02. *Notices.* Any notice, election, demand, request or other communication to be provided under this Agreement shall be effective when delivered to the party named below or three business days after 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:

AS TO THE COUNTY: County of Lancaster, South Carolina
 ATTN: Steve Willis, County Administrator
 101 N. Main St. (29720)
 PO Box 1809 (29721-1809)
 Lancaster, South Carolina
 Telephone: (803) 416 - 9300
 Fax: (803) 285 - 3361
 Email: swillis@lancastercountysc.net

WITH A COPY TO: John Weaver
(which shall not County Attorney, Lancaster County
constitute notice) 101 N. Main St. (29720)
 PO Box 1809 (29721-1809)
 Lancaster, South Carolina
 Telephone: (803) 416 - 9426
 Fax: (803) 285 - 3361
 Email: jweaver@lancastercountysc.net

AS TO THE COMPANY: 3i Products, Inc.
ATTN: Albert Chen, General Manager
3888 Chester Highway
Lancaster, South Carolina 29720
Telephone: (866) 267-7772
Fax: (909) 627-4759
Email:

WITH A COPY TO: Parker Poe Adams & Bernstein LLP
(which shall not constitute notice) ATTN: Ray Jones, Esquire
1201 Main Street, Suite 1450
Columbia, South Carolina 29201
Telephone: (803) 255-8000
Facsimile: (803) 255-8017
Email: rayjones@parkerpoe.com

Section 4.03. *Binding effect.* This Agreement is binding, in accordance with its terms, upon and inures to the benefit of the Company and its 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 Agreement shall bind and inure to the benefit of the successors of the County, but only to the extent provided by law applicable to the dissolution, consolidation or transfer to any other political subdivision.

Section 4.04. *Counterparts.* The Parties may execute this Agreement in any number of counterparts, in original or by facsimile or electronic means, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 4.05. *Governing law.* This Agreement and all documents executed in connection with this Agreement are construed in accordance with and governed by the laws of the State. To the extent of any conflict between the provisions of this Agreement and the Infrastructure Credit Act, the Infrastructure Credit Act controls.

Section 4.06. *Amendments.* The Parties may modify or amend this Agreement only in a writing signed by the Parties.

Section 4.07. *Waiver.* A Party to this Agreement may waive compliance by any other Party with any term or condition of this Agreement. To be effective, the waiver must be in a writing signed by the waiving party.

Section 4.08. *Entire understanding.* This Agreement expresses the entire understanding and all agreements of the parties hereto with each other with respect to its subject matter, and neither party hereto has made or shall be bound by any agreement or any representation to any other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 4.09. *Further assurance.* From time to time, and at the expense of the Company, to the extent any expense is incurred, the County agrees to execute and deliver to the Company such additional instruments as the Company may reasonably request and as are authorized by law and reasonably within

the purposes and scope of the MCP Law, the Infrastructure Credit Act, and this Agreement, to effectuate the purposes of this Agreement.

Section 4.10. Severability. If any provision of this Agreement is illegal, invalid or unenforceable for any reason, the remaining provisions remain unimpaired and any illegal, invalid or unenforceable provision are reformed to effectuate most closely the legal, valid and enforceable intent and to afford the Company with the maximum benefits to be derived under this Agreement and the Infrastructure Credit Act, it being the intention of the County to offer the Company the strongest inducement possible to encourage the Investment and the creation of Jobs for or in the Project.

Section 4.11. Assignment. This Agreement may be assigned in whole or in part. To the extent any further consent is required by the Infrastructure Credit Act and requested, the County may grant such consent by adoption of a resolution.

Section 4.12. Limited Obligation. THIS AGREEMENT AND THE INFRASTRUCTURE CREDITS BECOMING DUE HEREUNDER ARE LIMITED OBLIGATIONS OF THE COUNTY PROVIDED BY THE COUNTY SOLELY FROM THE FEE PAYMENTS RECEIVED BY THE COUNTY FROM THE COMPANY FOR THE PROJECT PURSUANT TO THE MCP LAW, AND DO NOT AND SHALL NEVER CONSTITUTE A GENERAL OBLIGATION OR AN INDEBTEDNESS OF THE COUNTY OR ANY MUNICIPALITY WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND DO NOT AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OR ANY MUNICIPALITY OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWER. THE FULL FAITH, CREDIT, AND TAXING POWER OF THE COUNTY OR ANY MUNICIPALITY ARE NOT PLEDGED FOR THE INFRASTRUCTURE CREDITS.

Section 4.13. Force Majeure. The Company is not responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Company's reasonable control. *Provided, however,* the provisions of this section shall in no way relieve the Company from the provisions contained in Section 3.03(e) of Article III of this Agreement.

Section 4.14. State Grants. With respect to state grants offered by the State of South Carolina ("State Grants"), the County agrees to administer the State Grants and to, in good faith, assist the Company in its efforts to qualify and receive the benefits of the State Grants.

Section 4.15. Survival. Unless otherwise provided in this Agreement, the provisions of this Agreement intended to survive its termination shall survive. Provisions that are intended to survive the termination of this Agreement, include, but are not limited to, the Company's obligations to make deficiency payments, Fee Payments, and to indemnify the County.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]
[SIGNATURES PAGES FOLLOW]

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Agreement to be executed in its name and on its behalf by the Council Chair and Council Secretary, to be attested by the Clerk to Council as of the Agreement Date.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

(SEAL)
ATTEST:

Debbie C. Hardin, Clerk to Council

[COMPANY SIGNATURES FOLLOW ON NEXT PAGE.]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed in its name and on its behalf by its authorized officer as of the Agreement Date.

3i PRODUCTS, INC.

By: _____

Its: _____

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Exhibit A to the Infrastructure Credit and Incentive Agreement

Description of Project Site

Approximately 15.58 acres located at 3888 Chester Highway (S.C. 9), Tax Parcel No. 0066-00-033.00.

LEGAL DESCRIPTION FROM DEED RECORDED IN BOOK 671 AT PAGES 267-272:

ALL THAT CERTAIN piece, parcel or tract of land situated in the County of Lancaster, South Carolina lying on the north margin right of way of South Carolina Highway 9 and being more particularly bounded and described as follows:

BEGINNING at an existing number five rebar located on the north margin right of way of South Carolina Highway 9 and being the southeast most corner of Tract No. 3 and the common corner of Tract No. 3 and Tract No. 2 as shown in Plat Book 2003 at page number 349, said point being **N59°47'42"E 271.73'** from National Geodetic Survey benchmark monument "29 021" (PID: AA4143) having South Carolina State Plane NAD83 (CORS96) EPOCH 2002.0000 Grid Coordinates of **1049514.02' ifeet NORTH** and **2046100.29' ifeet EAST**; thence along and with the common boundary of Tract No. 3 and Tract No. 2 **N28°53'10"W 600.05'** to an existing number five rebar; said point being the northeast most corner of Tract No. 3 and the common corner of Tract No. 3 and Tract No. 2; thence along and with the common boundary of Tract No. 3 and Tract No. 2 **S61°05'09"W 550.28'** to an existing number five rebar; said point being the northwest most corner of Tract No. 3 and the common corner of Tract No. 3 and Tract No. 2; thence with a newly created boundary line **N28°54'45"W 131.09'** to a new corner being a number five rebar set; thence with a newly created boundary line **N61°05'09"E 871.64'** to a new corner being a number five rebar set in the common boundary of Tract No. 2 and the Gibson Limited Partnership lands; said point being **S37°41'10"E 702.00'** from an existing 2" angle iron being the northeast most corner of Tract No. 2; thence along and with the common boundary of Tract No. 2 and the Gibson Limited Partnership lands **S37°41'10"E 740.04'** to an existing number five rebar located on the north margin right of way of South Carolina Highway 9; said point being the southeast most corner of Tract No. 2 and the common corner of Tract No. 2 and the Gibson Limited Partnership lands; thence along and with the north margin right of way of South Carolina Highway 9 **S61°07'05"W 434.51'** to the **POINT OF BEGINNING** and containing **8.000 ACRES** and being the property shown on map of "PLAT OF BOUNDARY SURVEY FOR COUNTY OF LANCASTER, SOUTH CAROLINA", file "LYBCAACA" dated February 3rd 2012 as surveyed by Enfinger & Associates Professional Land Surveyors, recorded in the Office of the Register of Deeds for Lancaster County in Plat Book 2012 at page 225.

Derivation: This being the same property conveyed to Lancaster County, South Carolina by deed of Nichols Road Farming and Real Estate Investments, LLC dated June 7, 2012, and recorded with the Register of Deeds for Lancaster County on June 7, 2012 in Book 671 at page 267.

LEGAL DESCRIPTION FROM DEED RECORDED IN BOOK 493 AT PAGES 222-225:

All that certain piece, parcel or lot of land, together with the improvements thereon, lying and being situate on the northern side of S.C. Highway 9 in or near the City of Lancaster, Cane Creek Township, Lancaster County, South Carolina, containing 7.58 acres, more or less, designated as Parcel 3 on that certain "Boundary Survey for Springs Industries, Inc." dated April 14, 2003, prepared by James W. Capps, P.L.S. Registration # 14805, recorded on May 28, 2003, as Plat #2003-349, Office of the Clerk of Court for Lancaster County, South Carolina, to which plat reference is hereby made for a more particular description of the said 7.58 acre parcel.

Derivation: This being the same property conveyed to Lancaster County, South Carolina by deed of Springs Global US, Inc. dated November 18, 2008, and recorded with the Register of Deeds for Lancaster County on November 18, 2008 in Book 493 at page 222.

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EXHIBIT B to the Infrastructure Credit and Incentive Agreement

JOINDER AGREEMENT

Reference is hereby made to that certain Infrastructure Credit and Incentive Agreement, dated November 9, 2015 (“**Infrastructure Credit Agreement**”), between Lancaster County, South Carolina (“**County**”) and 3i Products, Inc. (the “**Company**”).

1. Joinder to Infrastructure Credit and Incentive Agreement.

The undersigned hereby (a) joins as a party to, and agrees to be bound by and subject to all of the terms and conditions of, the Infrastructure Credit Agreement except the provisions of Article II; (b) acknowledges and agrees that (i) in accordance with the Infrastructure Credit Agreement, the undersigned has been designated as a Project Affiliate by the Company for purposes of the Project; and (ii) the undersigned shall have all of the rights and obligations of a Project Affiliate as set forth in the Infrastructure Credit Agreement, unless otherwise set forth herein. The Project Affiliate agrees that it is bound by this Joinder Agreement to make Fee Payments pursuant to the Infrastructure Credit Agreement and that the provisions of Section 3.02(e) of Article III of the Infrastructure Credit Agreement apply if the Minimum Investment Commitment and the Minimum Jobs Commitment are not satisfied by the Compliance Date.

2. Capitalized Terms.

All capitalized terms used but not defined in this Joinder Agreement shall have the meanings set forth in the Infrastructure Credit Agreement.

3. Governing Law.

This Joinder Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to principles of choice of law.

4. Notice.

Notices required to be sent to the Project Affiliate of the Infrastructure Credit Agreement shall be sent to:

[INSERT PROJECT AFFILIATE’S ADDRESS]

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IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement to be effective as of the date set forth below.

Date	Name of Entity
By: _____	
Name: _____	
Its: _____	
Address: _____	

IN WITNESS WHEREOF, the Company consents to the addition of the above-named entity becoming a Project Affiliate under the Infrastructure Credit Agreement effective as of the date set forth above.

By: _____
Name: _____
Its: _____
Date: _____
Address: _____

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EXHIBIT C to the Infrastructure Credit and Incentive Agreement

Credit Certification Form

Infrastructure Credit

Reference is made to the Infrastructure Credit Agreement, dated as of November 9, 2015 (“Agreement”), by and among Lancaster County, South Carolina (“County”) and 3i Products, Inc. (“Company”). Each capitalized term not defined in this Credit Certification Form (“Certification”) has the meaning contained in the Agreement.

According to the Agreement, the undersigned authorized agent of the Company certifies:

1. The Company has satisfied the requirements to qualify for Infrastructure Credit #1 or Infrastructure Credit #2, or both, property tax year ____.
2. The Company is entitled to claim Infrastructure Credit #1 or Infrastructure Credit #2, or both.
3. Infrastructure Credit #1 or Infrastructure Credit #2, or both, specified in this Certification for the current property tax year, together with the amount of all infrastructure credits previously claimed pursuant to the Agreement, do not, in the aggregate, exceed the total cost of all infrastructure improvements funded by the Company and all Project Affiliates, for which an infrastructure credit is permitted under state law.

IN WITNESS WHEREOF, I have executed this Certification as of _____, 20__.

3I PRODUCTS, INC. , LLC,
a South Carolina limited liability company

By: _____

Name: _____

Its: _____

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STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2015-1378

COUNTY OF LANCASTER

)

AN ORDINANCE

TO APPROVE A DEVELOPMENT AGREEMENT BETWEEN FORESTAR (USA) REAL ESTATE GROUP INC. AND THE COUNTY OF LANCASTER RELATING TO A PORTION OF THE ANSLEY PARK (PDD-21) DEVELOPMENT; TO AUTHORIZE CERTAIN COUNTY OFFICIALS TO EXECUTE AND DELIVER THE DEVELOPMENT AGREEMENT; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and Determinations.

The Council finds and determines that:

(a) Lancaster County is authorized by the South Carolina Local Government Development Agreement Act, codified as Sections 6-31-10 to -160, Code of Laws of South Carolina 1976, as amended (the "Act"), and by the Development Agreement Ordinance for Lancaster County, South Carolina, Ordinance No. 663 (the "Ordinance"), to enter into development agreements with developers;

(b) Forestar (USA) Real Estate Group Inc. seeks to enter into a development agreement with Lancaster County relating to a portion of the Ansley Park (PDD-21) development; and

(c) the Act and Ordinance require a development agreement to be approved by the county governing body by the adoption of an ordinance.

Section 2. Approval of Agreement; Authorization to Act.

A. The Council Chair and Council Secretary are each authorized, empowered and directed to execute, acknowledge and deliver a Development Agreement between Forestar (USA) Real Estate Group Inc. and the County of Lancaster relating to a portion of the Ansley Park (PDD-21) development (the "Development Agreement") in the name and on behalf of the County of Lancaster. The form of the Development Agreement is attached hereto as Exhibit A and all terms, provisions and conditions of the Development Agreement are incorporated herein by reference as if the Development Agreement were set out in this ordinance in its entirety. By adoption of this ordinance, the Lancaster County Council

approves the Development Agreement and all of its terms, provisions and conditions. The Development Agreement is to be in substantially the form as attached to this ordinance and hereby approved, or with such minor changes therein as shall be approved by the officials of Lancaster County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Development Agreement attached to this ordinance.

B. The Council Chair and Council Secretary are each authorized to execute and deliver any related instruments, documents, certificates and other papers as are necessary to effect the delivery of the Development Agreement. The Council and its duly elected or appointed officers and any other County official are authorized to take any and all action as may be necessary to effectuate the purposes of this ordinance.

Section 3. Severability.

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section 4. Controlling Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, orders and resolutions, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 5. Effective Date.

This ordinance is effective upon third reading.

And it is so ordained, this ____ day of _____, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

Attest:

Debbie C. Hardin, Clerk to Council

Planning Commission Public Hearing:	November 17, 2015	Tentative
First Reading:	October 26, 2015	Passed 7-0
Second Reading:	November 9, 2015	Tentative
Council Public Hearing:	November 23, 2015	Tentative
Third Reading:	November 23, 2015	Tentative

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Exhibit A to Ordinance No. 2015-1378

**Development Agreement
Between
Forestar (USA) Real Estate Group Inc. and the County of Lancaster
A Portion of the Ansley Park (PDD-21) Development**

See attached.

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WHEREAS, in connection with the proposed development, Developer and County recognize that the scope and term of the planned development under this Agreement accomplish the statutory aims of comprehensive, orderly planning and development within the County, thus providing benefits to the citizens of the County and providing public benefits through, among other things, the donation of funds or financing of those public facilities and services described and identified in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the terms and conditions set forth in this Agreement, the receipt and sufficiency of such consideration being acknowledged by the parties, and pursuant to the South Carolina Local Government Development Agreement Act, codified as Sections 6-31-10 to -160, Code of Laws of South Carolina 1976, as amended (the “Act”) and the Development Agreement Ordinance for Lancaster County, South Carolina (“Ordinance No. 663”), the parties to this Agreement, intending to be legally bound to a development agreement in accordance with the Act and Ordinance No. 663, agree as follows:

ARTICLE I

GENERAL

Section 1.01. Incorporation. The above recitals are incorporated in this Agreement as if the recitals were set out in this Agreement in its entirety. The findings contained in the Act are incorporated into this Agreement as if it were set out in this Agreement in its entirety.

Section 1.02. Definitions. (A) As used in this Agreement:

- (1) “Act” means the South Carolina Local Government Development Agreement Act, codified as Sections 6-31-10 to -160, Code of Laws of South Carolina 1976, as amended.
- (2) “Agreement” means this Development Agreement.
- (2A) “Agreement Date” means the date of this Agreement as set forth above.
- (3) “County” means the County of Lancaster, a body politic and corporate, a political subdivision of the State of South Carolina.
- (4) “County Council” means the governing body of the County.
- (5) “Developer” means Forestar (USA) Real Estate Group Inc., a Delaware corporation, and its successors in title to the Property who undertake Development of the Property or who are transferred Development Rights.
- (6) “Development Rights” means the right of the Developer to develop all or part of the Property in accordance with this Agreement.
- (7) Reserved.
- (8) “Laws and Land Development Regulations” means the County’s applicable rules and regulations governing development of real property as set forth on Exhibit E hereto.
- (9) “Ordinance No. 663” means Ordinance No. 663 of the County which is cited as the Development Agreement Ordinance for Lancaster County, South Carolina.
- (10) “Ordinance No. 650” means Ordinance No. 650, PDD-21, Ansley Park Planned Development District-21 approved January 31, 2005, as amended by Ordinance No. 796 dated January 29, 2007, zoning the Property planned development district (PDD-21).

(11) “Ordinance No. 2015-1378” means Ordinance No. 2015-1378 of the County approving this Agreement.

(12) “Parties” means County and Developer.

(12A) “PDD-21” means Ordinance No. 650.

(13) “Property” means the land, and any improvements thereon, described in Section 1.04.

(14) “Forestar Related Entity” means (i) an entity that is owned or controlled by Developer, or is owned or controlled by any entity that owns at least a fifty percent (50%) membership interest in Developer; and (ii) any entity that is the successor in interest to Developer via merger or operation of law.

(15) “UDO” means Ordinance No. 309, as amended, as of January 31, 2005, and which is cited as the Unified Development Ordinance of Lancaster County. The UDO includes Ordinance No. 328, as amended, as of January 31, 2005, and which is cited as the Land Development Regulations of Lancaster County.

(B) Unless the context clearly indicates otherwise, terms not otherwise defined in this Agreement have the meanings set forth in the Act and Ordinance No. 663.

Section 1.03. Parties. The parties to this Agreement are County and Developer.

Section 1.04. Property. This Agreement applies to the land described in Exhibit A, attached hereto and incorporated herein by reference as if the exhibit were set out in this Agreement in its entirety. The Property is generally known as a portion of the Ansley Park development.

Section 1.05. Zoning. The Property is zoned planned development district (PDD-21) pursuant to Ordinance No. 650.

Section 1.06. Permitted Uses. (A) PDD-21 and the UDO provide for the development uses on the Property, including population densities, building intensities and height.

(B) All lots for the Development must meet all of the standards contained in this Agreement and if no specific standard is contained in this Agreement, then the standards contained in PDD-21 and the UDO apply.

Section 1.07. Development Schedule. (A) The estimated development schedule for the Property is set forth on Exhibit C, attached hereto and incorporated herein by reference as if the exhibit were set out in this Agreement in its entirety.

(B) County and Developer acknowledge that the development schedule is an estimate. The failure of the Developer to meet a commencement or completion date does not, in and of itself, constitute a material breach of this Agreement, but must be judged based on the totality of the circumstances. The development schedule is a planning and forecasting tool only. County and Developer acknowledge that actual development is likely to take place at a different pace than set forth in the development schedule because of future market forces.

(C) County agrees that if Developer requests an adjustment to the development schedule, including commencement dates and interim completion dates, then the dates must be modified if

the Developer is able to demonstrate and establish that there is good cause to modify those dates. “Good cause” includes, but is not limited to, changes in market conditions.

(D) Periodic adjustments to the development schedule do not require a formal amendment to this Agreement and are not considered a major modification. To adjust the development schedule, the Developer shall submit a proposed adjustment to the Clerk to Council who shall forward copies of the proposed adjustment to each member of County Council. The proposed adjustment must be accompanied by an explanation and justification. The proposed adjustment is effective sixty (60) days from receipt by the Clerk to Council unless the County Council has disapproved the proposed adjustment by passage of a resolution to that effect within the sixty (60) day period.

Section 1.08. Relationship of Parties. This Agreement creates a contractual relationship among the Parties. This Agreement is not intended to create, and does not create, the relationship of partnership, joint venture, or any other relationship wherein any one of the parties may be held responsible for the acts of any other party. This Agreement is not intended to create, and does not create, a relationship whereby any one of the parties may be rendered liable in any manner for the debts or obligations of any other party, to any person or entity whatsoever, whether the debt or obligation arises under this Agreement or outside of this Agreement.

Section 1.09. Benefits and Burdens. (A) The Parties agree that the burdens of this Agreement are binding upon, and the benefits of this Agreement shall inure to, all successors in interests to the Parties to this Agreement.

(B) Except for the owners and lessees of completed residences on individual lots who are the end users and not developers thereof and the owners and lessees of individual lots, who are not developers and who intend to build a residence on the lot for the owner or lessee to occupy, any purchaser or other successor in title is responsible for performance of Developer’s obligations pursuant to this Agreement as to the portion of the Property so transferred. Developer must give notice to the County of the transfer of property to a developer in the manner prescribed in Section 3.05.

(C) Developer acknowledges and agrees that it (i) is responsible for the development of the Property when Developer acquires title to or development rights for the Property, and (ii) will develop the Property in accordance with the terms and conditions of this Agreement. It is the express intention of the Parties that the obligations of this Agreement are intended to run with the Property. If the Property is sold, either in whole or in part, and the Developer’s obligations are transferred to a purchaser or successor in title to the Property as provided herein and in Section 3.05 below, Developer shall be relieved of any further liability for the performance of Developer’s obligations as provided in this Agreement as it relates to the portion of the Property sold if the Developer is then current with its obligations pursuant to this Agreement.

Section 1.10. Term. The term of this Agreement commences on the Agreement Date and terminates five (5) years thereafter.

Section 1.11. Required Information. Ordinance No. 663 requires a development agreement to include certain information. Exhibit D contains the required information or

identifies where the information may be found in this Agreement. Exhibit D is incorporated herein by reference as if the exhibit were set out in this Agreement in its entirety.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties of County. (A) The County represents that it finds the development permitted by this Agreement is consistent with the County's comprehensive plan and land development regulations.

(B) The County represents that it has approved this Agreement by adoption of Ordinance No. 2015-1378 in accordance with the procedural requirements of the Act, Ordinance No. 663 and any other applicable state law.

(C) The County represents that prior to the final reading of Ordinance No. 2015-1378 that at least two public hearings were held after publication of the required notice and the publication of a notice of intent to consider a proposed development agreement.

Section 2.02. Representations and Warranties of Developer. (A) Developer represents that the number of acres of highland contained in the Property is twenty-five (25) or more, the same being approximately one hundred and fifty seven (157) or more acres.

(B) Developer represents that, as of the Agreement Date, it has contractual rights to acquire the Property and that, following acquisition, Developer shall be the only legal and equitable owner of the Property.

(C) Developer represents and warrants that the execution, delivery and performance by the individual or entity signing this Agreement on behalf of the Developer has been duly authorized and approved by all requisite action on the part of Developer.

ARTICLE III

DEVELOPMENT RIGHTS

Section 3.01. Vested Right to Develop. (A) County agrees that the Developer, upon receipt of its development permits as identified in Section 3.04, may proceed to develop the Property according to the terms and conditions of this Agreement. The right of Developer to develop the Property as set forth in this Agreement is deemed vested with Developer for the term of this Agreement when the Developer has complied with all of the requirements of Section 5.19.

(B) Except as otherwise provided in this Agreement, County agrees that the specific Laws and Land Development Regulations in force as of the Agreement Date as set forth in Exhibit E to this Agreement, attached hereto and incorporated herein by reference as if the exhibit were set out in this Agreement in its entirety, shall govern all aspects of the development of the Property, according to the terms and standards as stated in this Agreement, for the term of this Agreement.

(C) The Developer has a vested right to proceed with the development of the Property in accordance with the zoning classification set forth in Ordinance No. 650, the UDO and the terms of this Agreement when the Developer has complied with all of the requirements of Section 5.19.

(D) Except as may be otherwise provided for in this Agreement, the Act or Ordinance No. 663, no future changes or amendments to the Laws and Land Development Regulations shall apply to the Property, and no other local land development legislative enactments shall apply to the development, the Property, or this Agreement which have a direct or indirect adverse effect on the ability of the Developer to develop the Property in accordance with the Laws and Land Development Regulations.

(E) (1) To the extent that this Agreement may contain zoning and development standards which conflict with existing zoning and development standards, including zoning and development standards contained in Ordinance No. 650 and the UDO, the standards contained in this Agreement supersede all other standards and this Agreement is deemed controlling, (2) To the extent that Ordinance No. 650 may contain zoning and development standards which conflict with zoning and development standards contained in the UDO, the standards contained in Ordinance No. 650 supersede all other standards and Ordinance No. 650 is deemed controlling except as provided in subsection (E)(1).

(F) For purposes of Subsection (D) of this Section 3.01 and Section 3.03(A)(3), the Laws and Land Development Regulations are anticipated to be amended subsequent to the Agreement Date to provide for requirements and standards applicable to storm water runoff conveyance systems and drainage improvements. The anticipated amendments are expected to include, but not be limited to, minimum standards for the design and sizing of storm drainage piping systems and access easements. These amendments to the Laws and Land Development Regulations will apply to the Property.

Section 3.02. Effect on Vested Rights Act and County Ordinance No. 673. The Parties agree that vested rights conferred upon Developer in this Agreement are not affected by the provisions of the Vested Rights Act, codified as Sections 6-29-1510 to -1560, Code of Laws of South Carolina 1976, as amended, or the provisions of Ordinance No. 673, the County's ordinance relating to the Vested Rights Act.

Section 3.03. Applicability of Subsequently Adopted Laws and Land Development Regulations. (A) County may apply laws adopted after the execution of this Agreement to the development of the Property only if the County Council holds a public hearing and determines:

(1) the laws are not in conflict with the laws governing this Agreement and do not prevent the development set forth in this Agreement and "laws" which prevent development include, but are not limited to, a moratorium, or any other similar restriction that curtails the rate at which development can occur on the Property;

(2) the laws are essential to the public health, safety, or welfare and the laws expressly state that they apply to the development that is subject to this Agreement;

(3) the laws are specifically anticipated and provided for in this Agreement;

(4) that substantial changes have occurred in pertinent conditions existing at the time this Agreement was approved which changes, if not addressed by County, would pose a serious threat to the public health, safety, or welfare; or

(5) that this Agreement was based on substantially and materially inaccurate information supplied by the Developer that materially affected the terms and provisions of this Agreement.

(B) Developer agrees to comply with any county-wide building, housing, electrical, plumbing, fire and gas codes required to be enforced pursuant to the laws of South Carolina after the Agreement Date and in force at the time plans for buildings are submitted to the County for review. Nothing in this Agreement is intended to supersede or contravene the requirements of any building, housing, electrical, plumbing, fire or gas code adopted by County Council.

Section 3.04. Development Permits. (A) Developer agrees to obtain all local development permits for the development of the property. Local development permits, approvals and processes, some of which may have been obtained or complied with as of the Agreement Date, include, but are not limited to:

- (1) Development Review Committee process;
- (2) Preliminary plan approval;
- (3) Final plat approval;
- (4) Zoning permits;
- (5) Building permits; and
- (6) Sign permits.

(B) The failure of this Agreement to address a particular permit, condition, term, or restriction does not relieve the Developer of the necessity of complying with the law governing the permitting requirements, conditions, terms or restrictions.

Section 3.05. Transfer of Development Rights. Developer may, at its sole discretion, transfer its Development Rights to other developers. The transferring Developer must give notice to the County of the transfer of any Development Rights. The notice to the County must include the identity and address of the transferring Developer, the identity and address of the acquiring Developer, the acquiring Developer's contact person, the location and number of acres of the Property associated with the transfer and the number of residential units subject to the transfer. If the acquiring Developer is an entity, then, at the request of the County, the acquiring Developer shall provide the County the opportunity to view a listing of the names and addresses of the entity's officers and owners. Any Developer acquiring Development Rights is required to file with the County an acknowledgment of this Agreement and the transfer of Development Rights is effective only when the County receives a commitment from the acquiring Developer to be bound by it. This provision does not apply to the purchaser or other successor in title to the Developer who is the owner or lessee of a completed residence and is the end user and not the developer thereof or who is the owner or lessee of an individual lot, who is not a developer and who intends to build a residence on the lot for the owner or lessee to occupy.

Section 3.06. Lot Widths; Bridges. County and Developer acknowledge, agree and ratify two minor changes to the Ansley Park Master Plan made pursuant to and in accordance with the provisions of Ordinance No. 650: (1) two lots widths; and (2) the removal of a bridge crossing Six Mile Creek.

ARTICLE IV

DEDICATIONS AND FEES AND RELATED AGREEMENTS

Section 4.01. Purpose of Article. The Parties understand and agree that Development of the Property imposes certain burdens and costs on the County, including those for certain services and infrastructure improvements. Eventually, *ad valorem* taxes collected from the property may meet or exceed the burdens and costs placed upon the County, but certain initial costs and capital expenditures are now required that are not to be funded by any increase in taxes paid by existing residents of the County. The purpose of this article is to identify the matters agreed upon to be provided by the Developer to mitigate such burdens and costs.

Section 4.01A. Funds for Public Safety. Developer agrees to pay County THREE HUNDRED TEN THOUSAND AND NO/100 DOLLARS (\$310,000.00) upon the earlier of either June 30, 2017, or the closing on the sale of any portion of the Ansley Park development by the Developer to an individual or entity other than a Forestar Related Entity (the "Public Safety Payment"). Upon receipt of the Public Safety Payment, the monies must be accounted for separate and distinct from other monies of the County. The Public Safety Payment must be used for non-recurring purposes for law enforcement, fire and emergency medical service in the panhandle area of the County. The determination of the specific uses for the Public Safety Payment is at the discretion of the County Council. As used in this section, "Developer" means Forestar (USA) Real Estate Group Inc., a Delaware corporation, and does not include its successors or assigns but does include a Forestar Related Entity that holds title to the Property.

Section 4.01B. School Payments. Developer agrees to pay to the County for the benefit of the Lancaster County School District ONE HUNDRED FIFTY-FIVE THOUSAND AND NO/100 DOLLARS (\$155,000.00) upon the earlier of either June 30, 2017 or the closing on the sale of any portion of the Ansley Park development to an individual or entity other than a Forestar Related Entity (the "School Payment"). Developer acknowledges and agrees that County is responsible only for the remittance of the School Payment to the Lancaster County School District and that the County has no other obligation or responsibility for the School Payment. As used in this section, "Developer" means Forestar (USA) Real Estate Group Inc., a Delaware corporation, and does not include its successors or assigns but does include a Forestar Related Entity that holds title to the Property.

Section 4.02. Payment of Costs. Upon submission of appropriate documentation of the expenditure, Developer agrees to reimburse the County, not later than December 31, 2015, for the County's reasonable unreimbursed actual costs related to this Agreement. The foregoing cost reimbursement is capped at ten thousand dollars (\$10,000.00) and is limited to County payments to third-party vendors and service providers that have not been otherwise reimbursed from the fee paid by Developer pursuant to Section 10 of Ordinance No. 663.

Section 4.03. Other Charges or Fees. (A) Nothing in this Agreement shall be construed as relieving Developer from the payment of any fees or charges in effect at the time of collection as may be assessed by entities other than the County.

(B) Developer is subject to the payment of any and all present or future fees enacted by the County that are of County-wide application and that relate to the County's costs of processing applications, issuing development permits, reviewing plans, conducting inspections or similar type processing costs.

Section 4.04. Infrastructure and Services. The Parties recognize that the majority of the direct costs associated with the Development of the Property will be borne by Developer, and many necessary infrastructure improvements and services will be provided by Developer or other governmental or quasi-governmental entities, and not by the County. For clarification, the Parties make specific note of and acknowledge the following:

(A) **Roads.** (1)(a) Developer is responsible for the construction and costs of all roads, whether for public or private use, within the Property including but not limited to any necessary entrance and intersection improvements as required by the South Carolina Department of Transportation related to the development of the Property. All roads must be constructed in accordance with the County's road standards. The road improvements are expected to be implemented on a schedule consistent with the development of the Property as contained in the development schedule and as necessary to serve the development.

(b) Developer shall cause to be prepared a traffic impact analysis conducted and sealed by a licensed South Carolina professional engineer. Any road improvements, which are determined to be necessary, based on the results of the traffic impact analysis, shall be incorporated into the final site plan prior to County approval and the Developer is responsible for all costs of the road improvements. The traffic impact analysis shall be reviewed by the County and in conjunction with the South Carolina Department of Transportation. If a County-level traffic planner is not available to review the traffic impact analysis at the time of submittal, the County may choose to hire a third-party consultant to assist in this review. The cost of the traffic impact analysis, including any additional reviews requested by the County, shall be paid by the Developer. Improvements set forth in the traffic impact analysis may be installed based on a phasing study prepared by a licensed South Carolina professional engineer at the expense of Developer. The installation of new traffic signals or improvements to existing traffic signals shall be based on warrant studies conducted by a licensed South Carolina professional engineer at established specific times and at the expense of Developer.

(c) If a signalized intersection is required by the traffic impact analysis, or additional poles are required at an existing signalized intersection, a mast-arm traffic signal shall be installed. At a minimum, the standard metal mast-arm poles used by Duke Energy Corporation shall be installed. Complete cost of the installation of the mast-arm traffic signal shall be paid by Developer. Developer shall furnish a financial guarantee, acceptable to the County in its discretion, to cover future repairs and replacement of the mast-arm traffic signal. Developer may transfer its obligation for future repairs and replacement for the mast-arm traffic signal to a homeowners' or property owners' association, or similar organization.

(2) Developer is responsible for all construction and maintenance, and the costs thereof, associated with the roads within the Property. Developer may transfer the ownership of the

roads and its obligations for the roads to a homeowners' or property owners' association, or similar organization.

(3) Developer agrees to maintain the landscaping at the entrance to the Property and obtain any necessary easements therefor from the South Carolina Department of Transportation. Developer's obligation to maintain the landscaping is limited to mowing and planting of grass, trimming and planting of shrubs, trees and other vegetation, and maintenance and operation of any associated irrigation system. County agrees to cooperate with Developer in obtaining an easement or other related approvals. Developer may transfer its maintenance obligation to a homeowners' or property owners' association, or similar organization.

(4) County is not responsible for any construction, maintenance, or costs associated with the roads within the Property. Developer acknowledges that County will not accept the roads within the Property into the County road system for any purpose, including, but not limited to, maintenance. Developer agrees to provide County prior to final plat approval documentation that a mechanism, such as a property owners' association, is in place for the perpetual maintenance of all roads within the Property. Developer acknowledges and agrees that the provisions of Section 26-27(B)(3)(a) and (b) of the Lancaster County Code, as amended by Ordinance No. 2014-1299, apply to the roads within the Property.

(B) Potable Water. Potable water will be supplied to the Property by the Lancaster County Water and Sewer District. Developer will construct, or cause to be constructed, all necessary water service infrastructure within the Property and the water service infrastructure will be maintained by the provider. County is not responsible for any construction, treatment, maintenance, or costs associated with water service or water service infrastructure to or within the Property. The water service infrastructure is expected to be implemented on a schedule consistent with the development of the Property as contained in the development schedule and as necessary to serve the development. Developer acknowledges that County has no authority or responsibility for providing potable water services in the County and that the Lancaster County Water and Sewer District is a governmental entity separate and distinct from the County.

(C) Sewage Treatment and Disposal. Sewage treatment and disposal will be provided by the Lancaster County Water and Sewer District. Developer will construct, or cause to be constructed, all necessary sewer service infrastructure within the Property and the sewer service infrastructure will be maintained by the provider. County is not responsible for any construction, treatment, maintenance, or costs associated with sewer service or sewer service infrastructure. Sewer service infrastructure is expected to be implemented on a schedule consistent with the development of the Property as contained in the development schedule and as necessary to serve the development. Developer acknowledges that County has no authority or responsibility for providing sewage treatment and disposal services in the County and that the Lancaster County Water and Sewer District is a governmental entity separate and distinct from the County.

(D) Storm Water Management. Developer will construct or cause to be constructed all storm water runoff conveyance systems and drainage improvements within the Property required by the development of the Property. All inlets, piping within a system, associated swales or other conveyance system shall be designed for a minimum twenty-five (25) year storm event. Individual culvert crossing shall be designed for a minimum twenty-five (25) year storm event. Developer agrees to construct or cause to be constructed permanent water quantity and water quality systems and improvements in accordance with best management practices. The applicable requirements and standards shall be the more stringent of either the requirements and

standards contained in the Laws and Land Development Regulations as may be modified pursuant to Section 3.01(F) or the requirements and standards set by the South Carolina Department of Health and Environmental Control or its successor agency. All storm water systems and improvements will be maintained by Developer or a homeowners' association. County is not responsible for any construction, maintenance or costs associated with the storm water runoff and drainage for the Property. Storm water management improvements are expected to be implemented on a schedule consistent with the development of the Property as contained in the development schedule and as necessary to serve the development.

(E) Solid Waste Collection. The County shall provide solid waste collection to the Property on the same basis as is provided to other residents and businesses within the County. It is understood and acknowledged that the County does not presently provide solid waste disposal for single, multi-family or commercial developments. Residential units shall be served by a private waste hauling company.

(F) Law Enforcement Protection. The County shall provide law enforcement protection services to the Property on the same basis as is provided to other residents and businesses within the County.

(G) Recycling Services. The County shall provide recycling services to the Property on the same basis as is provided to other residents and businesses within the County.

(H) Emergency Medical Services (EMS). Emergency medical services shall be provided by the County to the Property on the same basis as is provided to other residents and businesses within the County.

(I) Fire Services. The Property is located in the Pleasant Valley Fire Protection District and fire services will be provided by the Pleasant Valley Fire Department, or successor entities.

(J) Library Service. The County shall provide library services on the same basis as is provided to other residents within the County.

(K) School Services. Public school services are now provided by the Lancaster County School District. Developer acknowledges that County has no authority or responsibility for providing public school services in the County.

(L) Parks and Recreation. The County shall provide parks and recreation services on the same basis as is provided to other residents within the County.

Section 4.05. Maximum Density. Notwithstanding the maximum density set forth in the UDO, the maximum density for residential use for the Property is as set forth in Ordinance No. 650, PDD-21.

Section 4.05A. Final Plat Approval. Notwithstanding any other provision of this Agreement or any provision of the UDO, Developer agrees that prior to seeking final plat approval: (i) all water and sewer infrastructure for the area that is the subject of the final plat shall be installed by the Developer and subsequently tested, inspected, and found to be in acceptable condition by the applicable water or sewer provider, and (ii) the appropriate permits from the South Carolina Department of Health and Environmental Control (DHEC) have been obtained by the Developer for storm water management and the Developer shall provide proof that DHEC has issued the appropriate permits.

ARTICLE V

MISCELLANEOUS

Section 5.01. Notices. Any notice, election, demand, request or other communication to be provided under this Agreement shall be in writing and shall be effective (i) when delivered to the party named below, (ii) when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, or (iii) when deposited in Federal Express (or any other reputable national “next day” delivery service) 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:

To the County: County of Lancaster
Attn: County Administrator
101 N. Main St. (29720)
P.O. Box 1809 (29721)
Lancaster, SC

With Copy to: County of Lancaster
Attn: County Attorney
101 N. Main St. (29720)
P.O. Box 1809 (29721)
Lancaster, SC

And to Developer: Forestar (USA) Real Estate Group Inc.
3330 Cumberland Blvd., Suite 275
Atlanta, GA 30339
Attn: Larry Long and Brian Blythe

Bayard Development, LLC
11220 Elm Lane, 205B
Charlotte, NC 28277
Attn: Timothy F. Coey

With Copy to: Nexsen Pruet, PLLC
Attn: Joseph D. McCullough
227 W. Trade Street, Suite 1550
Charlotte, North Carolina 28202

Section 5.02. Amendments. (A) This Agreement may be amended or cancelled by mutual consent of the parties to the Agreement. An amendment to this Agreement must be in writing. No statement, action or agreement made after the Agreement Date shall be effective to change, amend, waive, modify, discharge, terminate or effect an abandonment of this Agreement in whole or in part unless such statement, action or agreement is in writing and signed by the

party against whom the change, amendment, waiver, modification, discharge, termination or abandonment is sought to be enforced.

(B) An amendment to this Agreement must be processed and considered in the same manner as set forth in Ordinance No. 663 for a proposed development agreement. Any amendment to this Agreement constitutes a major modification and the major modification may occur only after public notice and a public hearing by the County Council.

(C) This Agreement must be modified or suspended as may be necessary to comply with any state or federal laws or regulations enacted after the Agreement Date which prevents or precludes compliance with one or more of the provisions of this Agreement but only to the extent necessary to effectuate compliance with the state or federal law.

Section 5.03. Periodic Review. At least every twelve (12) months, the Chief Zoning Officer for the County or the designee of the Chief Zoning Officer for the County, or the successor to the Chief Zoning Officer for the County, must review compliance with this Agreement by the Developer. At the time of review the Developer must demonstrate good faith compliance with the terms of the Agreement.

Section 5.04. Breach of Agreement. (A) If, as a result of the periodic review provided in Section 5.03 of this Agreement or at any other time, the Chief Zoning Officer for the County finds and determines that the Developer has committed a material breach of the terms or conditions of this Agreement, the Chief Zoning Officer for the County shall serve notice in writing, within a reasonable time after making the finding and determination of a material breach, upon the Developer setting forth with reasonable particularity the nature of the breach and the evidence supporting the finding and determination, and providing the Developer a reasonable time in which to cure the material breach.

(B) If the Developer fails to cure the material breach within a reasonable time and is not proceeding expeditiously and with diligence to cure the breach, then the County Council may unilaterally terminate or modify this Agreement. Prior to terminating or modifying this Agreement as provided in this section, the County Council must first give the Developer the opportunity (i) to rebut the finding and determination, or (ii) to consent to amend the Agreement to meet the concerns of the County Council with respect to the findings and determinations.

Section 5.05. Enforcement. The Parties shall each have the right to enforce the terms, provisions and conditions of this Agreement, if not cured within the applicable cure period, by any remedy available at law or in equity, including specific performance, and the right to recover attorney's fees and costs associated with enforcement.

Section 5.06. No Third Party Beneficiary. The provisions of this Agreement may be enforced only by the Parties. No other persons shall have any rights hereunder.

Section 5.07. Recording of Agreement. The Parties agree that Developer shall record this Agreement with the County Register of Deeds within fourteen (14) days of the date of execution of this Agreement.

Section 5.08. Administration of Agreement. County is the only local government that is a party to this Agreement and the County is responsible for the Agreement's administration.

Section 5.09. Effect of Annexation and Incorporation. The Parties agree that this Agreement remains in effect if the Property is, in whole or in part, included in a newly-incorporated municipality or is annexed into a municipality. The Parties acknowledge that upon incorporation or annexation the application and duration of this Agreement is controlled by Section 6-31-110 of the Act. County reserves the right to enter into an agreement with the newly-incorporated municipality or the annexing municipality for the administration and enforcement of this Agreement after the date of incorporation or annexation.

Section 5.10. Estoppel Certificate. Any of the Parties may, at any time, and from time to time, deliver written notice to the other party requesting the party to certify in writing (i) that this Agreement is in full force and effect, (ii) that this Agreement has not been amended or modified, or if so amended, identifying the amendments, (iii) whether, to the knowledge of the party, the requesting party is in default or claimed default in the performance of its obligation under this Agreement, and, if so, describing the nature and amount, if any, of any such default or claimed default, and (iv) whether, to the knowledge of the party, any event has occurred or failed to occur which, with the passage of time or the giving of notice, or both, would constitute a default and, if so, specifying each such event.

Section 5.11. Entire Agreement. This Agreement sets forth, and incorporates by reference all of the agreements, conditions, and understandings among the Parties relative to the Property and its Development and there are no promises, agreements, conditions or understandings, oral or written, expressed or implied, among the Parties relative to the matters addressed in this Agreement other than as set forth or as referred to in this Agreement.

Section 5.12. Covenant to Sign other Documents. County and Developer acknowledge that consummation of the transactions contemplated by this Agreement may require the execution contemporaneously with the execution of this Agreement and thereafter of certain documents in addition to this Agreement and County and Developer agree to cooperate with the execution thereof.

Section 5.13. Construction of Agreement. The Parties agree that each party and its counsel have reviewed and revised this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits to this Agreement.

Section 5.14. Assignment. The rights, obligations, duties and responsibilities devolved by this Agreement on or to the Developer are assignable to any other person, firm, corporation or entity except that the assignment must conform to the requirements of Section 1.09 and Section 3.05. County may assign its rights, obligations, duties and responsibilities devolved by this Agreement on or to the County to any other person, firm, corporation, or entity.

Section 5.15. Governing Law; Jurisdiction; and Venue. (A) This Agreement is governed by the laws of the State of South Carolina.

(B) The Parties agree that jurisdiction and venue for disputes relating to this Agreement is the Sixth (6th) Judicial Circuit of the State of South Carolina.

Section 5.16. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and such counterparts shall constitute but one and the same instrument.

Section 5.17. Eminent Domain. Nothing contained in this Agreement shall limit, impair or restrict the County's right and power of eminent domain under the laws of the State of South Carolina.

Section 5.18. Severability. If any provision in this Agreement or the application of any provision of this Agreement is held invalid, the invalidity shall apply only to the invalid provision, and the remaining provisions of this Agreement, and the application of this Agreement or any other provision of this Agreement, shall remain in full force and effect. However, if the invalid provision would prevent or materially impair Developer's right or ability to complete performance of this Agreement, the Parties agree to use their best efforts to renegotiate that provision in order for Developer to complete performance of this Agreement.

Section 5.19. When Agreement takes Effect. This Agreement is dated as of the Agreement Date and takes effect when (i) the County and Developer have each executed the Agreement, and (ii) the Developer has delivered to the County Administrator clocked-in copies, with book and page numbers, of the recorded deeds conveying the Property to Developer. If the County Administrator has not received clocked-in copies of the deeds conveying the Property to Developer by 5:00 p.m., February 15, 2016, then this Agreement is automatically terminated without further action of either the County or Developer. The obligation of the Developer pursuant to Section 4.02 is effective on the date the last Party to sign this Agreement executes this Agreement and the obligations imposed on Developer pursuant to Section 4.02 survives the termination of this Agreement pursuant to this Section.

SIGNATURES FOLLOW ON NEXT PAGE.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date below found.

WITNESSES:

DEVELOPER:

FORESTAR (USA) REAL ESTATE GROUP INC.,
a _____ corporation

By: _____

Name: _____

Title: _____

Date: _____

STATE OF _____)

_____)

COUNTY OF _____)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named Forestar (USA) Real Estate Group Inc., by its duly authorized officer/s sign, seal and as its act and deed deliver the within written instrument and that (s)he with the other witness above subscribed, witnessed the execution thereof.

First Witness Signs Again Here

Seal

SWORN to before me this
____ day of _____, 2015.

Notary Public Signs AS NOTARY

Notary Public for the State of _____

My Commission Expires: _____

COUNTY SIGNATURES FOLLOW ON NEXT PAGE.

Exhibit A
Property Description

Ansley Park Development

Tax Parcel No. 0010-00008.00

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Exhibit B

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Exhibit C
Development Schedule

	<u>Begin</u>	<u>End</u>
Engineering and Permitting	January, 2016	July, 2016
Phased Land Development	August, 2016	August, 2021
Home Construction Starts	April, 2017	August, 2020
Year 1 Home Closings – Approx. 62 per year	August, 2017	August, 2018
Year 2 Home Closings – Approx. 62 per year	August, 2018	August, 2019
Year 3 Home Closings – Approx. 62 per year	August, 2019	August, 2020
Year 4 Home Closings – Approx. 62 per year	August, 2020	August, 2021
Year 5 Home Closings – Approx. 62 per year	August, 2021	August, 2022

This Development Schedule is an estimate. The provisions of Section 1.07 of this Agreement apply to this exhibit.

NOTE: County and Developer acknowledge that development of the Property is limited to three hundred ten (310) residential units.

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Exhibit D

Required Information

The Act and Ordinance No. 663 require a development agreement to include certain information. The following information is provided in conformance with the Act and Ordinance No. 663.

(A) *a legal description of the property subject to the agreement and the names of the property's legal and equitable owners.* The legal description of the Property is set forth in Exhibit A. As of the Agreement Date, Developer has contractual rights to acquire the Property and, following acquisition, Developer shall be the only legal and equitable owner of the Property. As of the Agreement Date, the legal owner of the Property is Jacqueline S. White, Trustee, Milbern Charles White Family Trust under agreement dated June 15, 2009.

(B) *the duration of the agreement which must comply with Code Section 6-31-40.* See Section 1.10.

(C) *a representation by the developer of the number of acres of highland contained in the property subject to the agreement.* See Section 2.02.

(D) *the then current zoning of the property and a statement, if applicable, of any proposed re-zoning of the property.* See Section 1.05.

(E) *the development uses that would be permitted on the property pursuant to the agreement, including population densities, building intensities and height.* See Section 1.06 and Section 4.05.

(F) *a description of the public facilities that will service the development, including who provides the facilities, the date any new facilities, if needed, will be constructed, and a schedule to assure public facilities are available concurrent with the impacts of the development construction timeline for those facilities. If the agreement provides that the County shall provide certain public facilities, the agreement shall provide that the delivery date of the public facilities will be tied to defined completion percentages or other defined performance standards to be met by the developer.* See Article IV.

(G) *a description, where appropriate, of any reservation or dedication of land for public purposes and any provisions to protect environmentally sensitive property as may be required or permitted pursuant to laws in effect at the time of entering into the agreement.* Developer agrees to comply with all applicable environmental laws.

(H) *a description of all local development permits approved or needed to be approved for the development of the property together with a statement indicating that the failure of the agreement to address a particular permit, condition, term, or restriction does not relieve the developer of the necessity of complying with the law governing the permitting requirements, conditions, terms or restrictions.* See Section 3.04.

(I) *a finding that the development permitted or proposed is consistent, or will be consistent by the time of execution of the agreement, with the County's comprehensive plan and land development regulations. See Section 2.01(A).*

(J) *a description, where appropriate, of any provisions for the preservation and restoration of historic structures. Developer agrees to comply with all laws applicable to the preservation and restoration of historic structures within the Property.*

(K) *a development schedule including commencement dates and interim completion dates at no greater than five year intervals. See Section 1.07 and Exhibit C.*

(L) *if more than one local government is made party to the agreement, a provision stating which local government is responsible for the overall administration of the agreement. See Section 5.08.*

(M) *a listing of the laws and land development regulations that will apply to the development of the property subject to the agreement, including citation to specific ordinance numbers or portions of the County Code of Ordinances or both. See Section 3.01(B) and Exhibit E.*

(N) *a provision, consistent with Code Section 6-31-80, addressing the circumstances under which laws and land development regulations adopted subsequent to the execution of the agreement apply to the property subject to the agreement. See Section 3.03.*

(O) *a provision stating whether the agreement continues to apply to the property or portions of it that are annexed into a municipality or included in a newly-incorporated area and, if so, that the provisions of Code Section 6-31-110 apply. See Section 5.09.*

(P) *a provision relating to the amendment, cancellation, modification or suspension of the agreement. See Section 5.02.*

(Q) *a provision for periodic review, consistent with the provisions of Section 8 of Ordinance No. 663. See Section 5.03.*

(R) *a provision addressing the effects of a material breach of the agreement, consistent with the provisions of Section 9 of Ordinance No. 663. See Section 5.04.*

(S) *a provision that the developer, within fourteen days after the County enters into the agreement, will record the agreement with the County Register of Deeds. See Section 5.07.*

(T) *a provision that the burdens of the agreement are binding upon, and the benefits of the agreement shall inure to, all successors in interest to the parties to the agreement. See Section 1.09(A).*

(U) *a provision addressing the conditions and procedures by which the agreement may be assigned. See Section 1.09(B), Section 3.05 and Section 5.14.*

Exhibit E
Laws and Land Development Regulations

1. Ordinance No. 650, as amended, zoning the Property planned development district (PDD-21).
2. Ordinance No. 2015-1378, approving this Development Agreement.
3. The Development Agreement Ordinance for Lancaster County, South Carolina: Ordinance No. 663.
4. Unified Development Ordinance of Lancaster County (UDO): Ordinance No. 309, as amended as of January 31, 2005. The UDO includes Ordinance No. 328, as amended, as of January 31, 2005 and which is cited as the Land Development Regulations of Lancaster County, as amended as of January 31, 2005.
5. Land Development Regulations of Lancaster County: See Unified Development Ordinance of Lancaster County.
6. Article V, Chapter 26, Lancaster County Code of Ordinances, Road Construction Standards, as of the Agreement Date, including, but not limited to, Section 26-27(B)(3)(a) and (b) of the Lancaster County Code of Ordinances, as amended by Ordinance No. 2014-1299.

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STATE OF SOUTH CAROLINA

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COUNTY OF LANCASTER

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ORDINANCE NO. 2015-1379

AN ORDINANCE

TO AUTHORIZE THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BY AND AMONG LANCASTER COUNTY AND MOVEMENT MORTGAGE, LLC AND TKC CCH, LLC PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings.

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (the "County") acting by and through its County Council (the "Council") is authorized and empowered pursuant to the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the "Act") to enter into fee-in-lieu of tax ("FILOT") agreements with any industry, with said agreements identifying certain properties of such industries as economic development property, through which powers the industrial development of the State of South Carolina (the "State") and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and the County and thus utilize and employ the manpower, products, and natural resources and benefit the general public welfare of the State and County by providing services, employment, or other public benefits not otherwise adequately provided locally;

(b) the County is authorized by Sections 4-1-175 and 4-29-68 of the Code of Laws of South Carolina 1976, as amended, to provide special source revenue credits for the purpose of defraying 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 machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County;

(c) Movement Mortgage, LLC (the "Sponsor") is considering investing, through itself and/or one or more existing or to be formed affiliated entities and/or one or more unrelated parties, including TKC CCIL, LLC (the "Sponsor Affiliate"), in personal property and certain real estate improvements located in

the County which would constitute a project within the meaning of the Act and which are eligible for inclusion as economic development property, the cost of which is estimated to be approximately Twenty-One Million, Two Hundred Thousand Dollars (\$21,200,000.00) over five (5) years (the "Project");

(d) pursuant to Resolution No. 0857-R2014, adopted December 8, 2014, the Council approved an Inducement Resolution providing for, among other things, the agreement of the County to enter into a fee-in-lieu of tax incentive with the Sponsor and the provision of special source revenue credits;

(e) the Sponsor and Sponsor Affiliate have caused to be prepared and presented to the Council the form of the Fee Agreement by and among the County, the Sponsor and the Sponsor Affiliate (the "Fee Agreement"), which provides for fee-in-lieu of tax payments utilizing a six percent (6%) assessment ratio and fixed millage rate as of June 30, 2014 (which is understood to be 282.4 mills) for a period of thirty (30) years for the Project or each component thereof placed in service during the initial investment period and any investment period extension to which the County, the Sponsor and the Sponsor Affiliate agree, and for special source revenue credits equal to fifty percent (50%) of the fee-in-lieu of tax payments for years one (1) through five (5) and twenty-five percent (25%) of the fee-in-lieu of tax payments for years six (6) through ten (10); and

(f) it appears that the Fee Agreement, which is attached to this ordinance, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

Section 2. Approval of Fee Agreement.

Subject to the provisions of Section 5 of this ordinance, and, in order to promote industry, develop trade, and utilize and employ the manpower, products, and natural resources of the State by assisting the Sponsor and Sponsor Affiliate to expand or locate an industrial facility in the State, the Fee Agreement is hereby authorized, ratified, and approved.

Section 3. Statutory Findings.

Council makes the following additional findings:

(a) The Project will constitute a "project" as the term is referred to and defined in the Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County, and the County has evaluated the Project based upon all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made.

(c) 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.

(d) The Project gives rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either.

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

(f) The inducement of the location or expansion of the Project within the County and State is of paramount importance.

- (g) The benefits of the Project to the public will be greater than the costs to the public.

Section 4. Cost-Benefit Findings.

Council makes the following findings concerning the costs and benefits of the Project:

(a) The benefits of providing the incentives arrangement set forth in the Fee Agreement include: (i) investment in personal property and certain real estate improvements of at least \$21,200,000; (ii) construction benefit of \$2,857,200; (iii) facility operation benefit of \$24,265,284; (iv) employee benefit of \$68,945; and (v) visitor benefit of \$0. The total benefit is estimated at \$27,191,429;

(b) The cost of providing the incentives arrangement is estimated at: (i) development costs of \$0; (ii) operational costs of \$1,398,606; and (iii) employee costs of \$323,685. The total cost is estimated at \$1,722,291.

(c) The benefit to cost ratio in year one is estimated at \$15.79:1 and after year one at \$14.13:1.

(d) The value of the FILOT incentive to the Sponsor and the Sponsor Affiliate is estimated at \$2,050,716 and the special source revenue credits at \$1,398,606.

Section 5. Approval and Execution of Fee Agreement.

The form, terms, and provisions of the Fee Agreement, attached hereto as Exhibit A, are approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the Fee Agreement was set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute and acknowledge the Fee Agreement in the name of and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Sponsor and the Sponsor Affiliate. The Fee Agreement is to be in substantially the form as attached to this ordinance and hereby approved, with such changes therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, upon the advice of counsel to the County, such officer's execution thereof to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form of the Fee Agreement attached to this ordinance.

Section 6. Economic Development Fund.

(A) Council finds that (i) by passage of Ordinance No. 2014-1260, Council created an Economic Development Fund with the intent to make monies available to the fund from new revenues to the County derived from new and expanded businesses and industry, and (ii) the ability to make monies available to the Economic Development Fund can be difficult because of complexities and legalities applicable to fee-in-lieu of tax arrangements and multi-county parks.

(B) It is the intent of Council, in the annual County budget, to appropriate monies to the Economic Development Fund based on the new revenue that the County receives pursuant to the Fee Agreement. Specifically, it is Council's intent to appropriate from the General Fund of the County an amount based on the following formula: Seven percent (7%) times the amount of money received pursuant to the Fee Agreement by the County after distribution to other taxing entities in the most recently completed tax year.

Section 7. Authority to Act.

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County under and pursuant to the Fee Agreement.

Section 8. Severability.

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 9. Controlling Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 10. Effective Date.

This ordinance is effective upon third reading.

SIGNATURES FOLLOW ON NEXT PAGE.

AND IT IS SO ORDAINED, this 23rd day of November, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

First Reading:	October 26, 2015	Passed 6-1
Second Reading:	November 9, 2015	Tentative
Public Hearing:	November 23, 2015	Tentative
Third Reading:	November 23, 2015	Tentative

Exhibit A to Ordinance No. 2015-1379

Fee Agreement

Lancaster County, Movement Mortgage, LLC and TKC CCII, LLC

See attached.

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FEE AGREEMENT

by and among

LANCASTER COUNTY, SOUTH CAROLINA,

MOVEMENT MORTGAGE, LLC, as Sponsor

and

TKC CCII, LLC, as Sponsor Affiliate

Dated as of _____, 2015

FEE AGREEMENT

This FEE AGREEMENT is dated as of _____, 2015, by and among LANCASTER COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), MOVEMENT MORTGAGE, LLC, a Delaware limited liability company, or affiliated or related entities (the "Sponsor") and TKC CCII, LLC, a North Carolina limited liability company, or affiliated or related entities (the "Sponsor Affiliate" and together with the Sponsor referred to herein as the "Company").

WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina 1976, as amended (the "Code") and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution (the "Multi-County Park Act"); (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain industrial and commercial properties through which the economic development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and thus utilize and employ the workers, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain payments in lieu of *ad valorem* taxes with respect to the project (a "FILOT"); and (iii) to maintain, create or expand, in conjunction with one or more other counties, a multi-county industrial park in order to afford certain enhanced income tax credits to such investors; and

WHEREAS, the Sponsor proposes to make new taxable investments in the County (the "Project"); and

WHEREAS, the Sponsor Affiliate owns the property where the Project will be located and improvements made thereon and thereto; and

WHEREAS, the Sponsor anticipates that the Project will result in the creation of approximately 672 new, full time jobs and, and the Company anticipates that the Project will result in an investment of approximately \$21,200,000 in the County; and

WHEREAS, as a result of the Sponsor making new and taxable investments in the County, the Sponsor and Sponsor Affiliate requested that the County enter into this Fee Agreement with the Sponsor and Sponsor Affiliate pursuant to the Act, and the Sponsor and Sponsor Affiliate elect to enter into such FILOT arrangement with the County in an effort to encompass the terms surrounding the Project and allowing the Sponsor to make FILOT payments pursuant to the Act; and

WHEREAS, the Project constitutes Economic Development Property within the meaning of the Act; and

WHEREAS, for the purposes set forth above, the County has determined that it is in the best interests of the County to enter into this Fee Agreement with the Sponsor and Sponsor Affiliate, subject to the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, and the sum of \$1.00 in hand, duly paid by the Sponsor and Sponsor Affiliate to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Sponsor and Sponsor Affiliate agree as follows:

ARTICLE I

DEFINITIONS AND RECAPITULATION

Section 1.01. Statutorily Required Recapitulation; Summary Agreement.

(a) Pursuant to Section 12-44-55(B) of the Act, the County and the Sponsor and Sponsor Affiliate agree to waive the recapitulation requirements of Section 12-44-55 of the Act. Subsection (b) of this section is inserted for convenience only and does not constitute a part of this Agreement or a summary compliant with Section 12-44-55 of the Act.

(b) Summary of Agreement.

1. Legal name of each initial party to this Agreement:
Movement Mortgage, LLC, a Delaware corporation, or its affiliated or related entities (Sponsor) and TKC CCII, LLC, a North Carolina limited liability company, its affiliated or related entities (Sponsor Affiliate) and Lancaster County, South Carolina
2. County and street address of the Project and property to be subject to this Agreement:

8024 Calvin Hall Road, Indian Land, South Carolina, 29707, Lancaster County
3. Minimum investment agreed upon:
\$21,200,000.00
4. Length and term of this Agreement:
30 years for each annual increment of investment in the Project during the Investment Period.
5. Assessment ratio applicable for each year of this Agreement:
6%
6. Millage rate applicable for each year of this Agreement:
Every year of the term: 282.4 mills, the millage rate applicable as of June 30, 2014

7. Schedule showing the amount of the fee and its calculation for each year of this Agreement:
Waived by the County and the Sponsor and Sponsor Affiliate
8. Schedule showing the amount to be distributed annually to each of the affected taxing entities:
Waived by the County and the Sponsor and Sponsor Affiliate
9. Statements
 - (a) The Project is to be located in a multi-county park;
 - (b) Disposal of property, subject to Payments-in-Lieu-of-Taxes is allowed;
 - (c) Special Source Revenue Credits shall be given to the qualifying property in amounts equal to 50% for years 1 – 5, and 25% for years 6 – 10.
 - (d) Payment will not be modified using a net present value calculation; and
 - (e) Replacement property provisions will apply.
10. Any other feature or aspect of this Agreement which may affect the calculation of items (7) and (8) of this summary.
Waived by the County and the Sponsor and Sponsor Affiliate
11. Description of the effect upon the schedules required by items (7) and (8) of this summary of any feature covered by items (9) and (10) not reflected in the schedules for items (7) and (8)
Waived by the County and the Sponsor and Sponsor Affiliate
12. Which party or parties to this Agreement are responsible for updating any information contained in this summary:
Waived by the County and the Sponsor and Sponsor Affiliate

Section 1.02. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings, unless the context or use indicates another or different meaning or intent.

“*Act*” or “*Simplified FILOT Act*” shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

“*Administration Expense*” shall mean the reasonable and necessary out-of-pocket expenses, including attorneys’ fees, incurred by the County with respect to: (i) the preparation, review, approval and execution of this Fee Agreement, (ii) the preparation, review, approval and execution of other documents related to the Fee Agreement and any multi-county park documents; and (iii) the fulfillment of its obligations under this Fee Agreement and any multi-county park documents, and in the implementation and administration of the terms and provisions of the documents after the date of execution thereof.

“Agreement” shall mean this Fee Agreement by and among the County and the Sponsor and Sponsor Affiliate, as originally executed and from time to time supplemented or amended as permitted herein or by the Act, and dated as of _____, 2015.

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

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

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

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

“Economic Development Property” shall mean each item of real and tangible personal property comprising the Project, except (if applicable) Non-Qualifying Property, within the meaning of that term as defined and used in Sections 12-44-30(6) and 12-44-40(C) of the Code.

“Equipment” shall mean all machinery, equipment, furnishings, and other personal property acquired by the Sponsor or Sponsor Affiliate and installed as part of the Project during the Investment Period in accordance with this Agreement.

“Event of Default” shall mean an Event of Default of the Sponsor as defined in Section 11.01 hereof.

“Existing Property” shall mean property proscribed from becoming Economic Development Property pursuant to Section 12-44-110 of the Code, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to the execution and delivery of this Agreement and property included in the Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (a) property acquired or constructed by the Sponsor or Sponsor Affiliate during the Investment Period which has not been placed in service in this State prior to the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; or (b) modifications which constitute an expansion of Existing Property.

“FILOT” shall mean the fee-in-lieu of taxes, which the Sponsor is obligated to pay to the County pursuant to Section 5.01 hereof.

“FILOT Payments” shall mean the payments to be made by the Sponsor pursuant to Section 5.01 hereof.

“FILOT Revenues” shall mean the revenues received by the County from the Sponsor’s payment of the FILOT.

“Investment Period” shall mean the period beginning with the first day that the Sponsor or Sponsor Affiliate purchased or purchases Economic Development Property and ending on the date that is five years from the end of the property tax year in which this Agreement is executed

by the Sponsor and Sponsor Affiliate and the County, unless extended by agreement of the County and the Sponsor and Sponsor Affiliate pursuant to Section 12-44-30(13) of the Code.

“Indemnified Party” shall mean the County, including the members of the governing body of the County, and the employees, officers, attorneys and agents of the County.

“Land” shall mean the real estate upon which the Project is to be located, as described in Exhibit A attached hereto, as Exhibit A may be supplemented from time to time in accordance with the provisions hereof.

“Multi-County Park” shall mean the multi-county park established pursuant to the Agreement for the Development of a Joint Industrial and Business Park (Lancaster and Chester Counties), dated December 5, 2005, and authorized and approved by Lancaster County Ordinance No. 701 and Chester County Ordinance No. 12-05-05-I, as amended by the party counties (the “Multi-County Park Agreement”), and any successor multi-county park arrangement in which the Land is included.

“Multi-County Park Act” shall mean Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution, as amended through the date hereof.

“Negotiated FILOT Payment” shall mean the FILOT due pursuant to Section 5.01(b) hereof with respect to that portion of the Project consisting of Economic Development Property.

“Non-Qualifying Property” shall mean (if applicable) that portion of the Project consisting of: (i) property as to which the Sponsor or Sponsor Affiliate incurred expenditures prior to the Investment Period or, except as to Replacement Property, after the end of the Investment Period; (ii) Existing Property; and (iii) any Released Property or other property which fails or ceases to qualify for Negotiated FILOT Payments, including without limitation property as to which the Sponsor and Sponsor Affiliate have terminated the Negotiated FILOT pursuant to Section 4.03(a)(iii) hereof. The Sponsor and Sponsor Affiliate agree that the real estate improvements on the Land as of the date of this Agreement shall constitute Non-Qualifying Property for purposes of this Agreement.

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

“Project” shall mean, collectively herein, the Project, and shall include the buildings and other improvements on the Land to the extent placed thereon by the Sponsor or Sponsor Affiliate including water, sewer treatment and disposal facilities, and other machinery, apparatus, equipment, office facilities, and furnishings which are necessary, suitable, or useful, including the Equipment; and any Replacement Property.

“Project Commitments” shall mean the investment and job commitments of the Sponsor with respect to the Project as set forth in Section 2.02(d) of this Agreement.

“Released Property” shall mean any portion of the Project removed, scrapped, traded in, sold, or otherwise disposed of pursuant to Section 4.03 hereof, any portion of the Project stolen, damaged, destroyed, or taken by condemnation or eminent domain proceedings as described in Article VII hereof, and any infrastructure which the Sponsor and Sponsor Affiliate dedicate to the public use (within the meaning of that phrase as used in Section 12-6-3420(C) of the Code).

“Replacement Property” shall mean all property installed in or on the Land in substitution of, or as replacement for, any portion of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to Section 5.01(g) hereof and Section 12-44-60 of the Code.

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

“Special Source Revenue Credits” shall mean the Special Source Revenue Credits described in Section 5.01 hereof.

“Sponsor” shall mean Movement Mortgage, LLC, a Delaware limited liability company and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets permitted under section 8.02 or Article IX hereof; or any assignee hereunder which is designated by the Sponsor and approved or ratified by the County. Except as required by law, the County’s subsequent approval or ratification of an assignee hereunder shall not be required if the subsequent Assignee is Sponsor or Sponsor Affiliate.

“Sponsor Affiliate” shall mean TKC CCH, LLC, a North Carolina limited liability company, or affiliated or related entities as qualified under Section 12-44-30(20) of the Code; provided, however, that such affiliate or related entity must be approved by the County as a sponsor affiliate and must agree in writing to be bound by this Agreement.

“State” shall mean the State of South Carolina.

“Streamlined FILOT Act” shall mean Title 4, Chapter 12 of the Code, as amended through the date hereof.

“Term” shall mean the term of this Agreement, as set forth in Section 10.01 hereof.

“Transfer Provisions” shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

Section 1.03. References to Agreement. The words “hereof,” “herein,” “hereunder” and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County represents and warrants that: (i) it is a body politic and corporate and a political subdivision of the State; (ii) it is authorized by the Act to enter into this Agreement; (iii) it has approved this Agreement in accordance with the procedural requirements of the Act and any other applicable state law; and (iv) it has authorized its officials to execute and deliver this Fee Agreement.

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

(a) Movement Mortgage, LLC is a limited liability company, validly existing and in good standing under the laws of the State of Delaware and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT have been instrumental in inducing the Sponsor to locate the Project within Lancaster County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the Sponsor are pending or threatened against or affecting the Sponsor in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(d) For the Project, and together with the Sponsor Affiliate, the Sponsor anticipates a total investment of approximately Twenty-One Million, Two Hundred Thousand Dollars (\$21,200,000.00) in land, buildings, and personal property, including machinery and equipment, at the Project by the end of the Investment Period, and the Sponsor anticipates the creation of 672 new, full time jobs by the end of the Investment Period. The investment amount shall not include any amount paid by the Sponsor or Sponsor Affiliate for real estate improvements on the land existing as of the date of this Agreement.

(e) The income tax year of the Sponsor, and accordingly the property tax year, for federal income tax purposes is _____.

(f) No event has occurred and no condition currently exists with respect to the Sponsor, which would constitute a default or an "Event of Default" as defined herein.

(g) The Sponsor intends, with the Project, to make new, taxable investments in the County, and the Project constitutes a "project" and "economic development property" as provided under the Act.

Section 2.03. Representations and Warranties by Sponsor Affiliate. The Sponsor Affiliate makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) TKC CCII, LLC is a limited liability company validly existing and in good standing under the laws of the State of North Carolina and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

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

ARTICLE III

UNDERTAKINGS OF THE COUNTY

Section 3.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept FILOT Payments made by the Sponsor in accordance with Section 5.01 hereof in lieu of *ad valorem* taxes with respect to the Project until this Agreement expires or is sooner terminated.

Section 3.02. No Warranties by County. The Sponsor and Sponsor Affiliate acknowledge that the County has made no warranties or representations, either express or implied, as to the condition or state of the Project or as to the design or capabilities of the Project or that it will be suitable for the Sponsor's purposes or needs. No representation of the County is hereby made with regard to compliance by the Project or any Person with laws regulating: (i) the construction or acquisition of the Project; (ii) environmental matters pertaining to the Project; (iii) the offer or sale of any securities; or (iv) the marketability of title to any property.

Section 3.03. Multi-County Park Status. The County agrees to keep the Land in the Multi-County Park for the term of this Agreement, *provided, however*, the County may place the Land in another multi-county park established pursuant to the Multi-County Park Act so long as the Land is continuously included within the boundaries of a multi-county park established pursuant to the Multi-County Park Act.

Section 3.04. Execution of Lease. The parties acknowledge that the intent of this Agreement is to afford the Sponsor and Sponsor Affiliate the benefits of the Negotiated FILOT Payments in consideration of the Sponsor's decision to locate the Project within Lancaster County and that this Agreement has been entered into in reliance upon the enactment of the Simplified FILOT Act. In the event that a court of competent jurisdiction holds that the Simplified FILOT Act is unconstitutional or that this Agreement or agreements similar in nature to this Agreement are invalid or unenforceable in any material respect or should the parties

determine that there is a reasonable doubt as to the validity or enforceability of this Agreement in any material respect, then the County, upon the provision by the Sponsor and Sponsor Affiliate of evidence acceptable to the County that the Project is free from environmental contamination and the conveyance of title to the Project to the County at the expense of the Sponsor and Sponsor Affiliate, agrees to lease the Project to the Sponsor and Sponsor Affiliate pursuant to the Streamlined FILOT Act and, to the extent permitted under the law in effect at such time, use its best efforts to ensure that the Sponsor and Sponsor Affiliate receive the benefits of the Negotiated FILOT as contemplated by this Agreement.

In addition to and notwithstanding the foregoing paragraph, the County shall not be obligated to perform any of its obligations or promises under this Section 3.04 unless the Sponsor and Sponsor Affiliate have otherwise complied with or provides satisfactory evidence to the County that they intend to comply with their obligations and responsibilities under this Agreement.

ARTICLE IV

INVESTMENT BY SPONSOR IN PROJECT; MAINTENANCE AND MODIFICATION OF PROJECT

Section 4.01. Investment by Sponsor in Project. For the Project, the Sponsor agrees, together with the Sponsor Affiliate, to cumulatively invest at least Twenty-One Million, Two Hundred Thousand Dollars (\$21,200,000.00) in land, buildings, and personal property, including machinery and equipment, at the Project by the end of the initial Investment Period (the “**Minimum Contractual Investment Requirement**”). Further, the Sponsor agrees to create 672 new, full time jobs by the last day of the Investment Period (“**Minimum Contractual Jobs Requirement**”). The investment amount shall not include any amount paid by the Sponsor or Sponsor Affiliate for real estate improvements on the Land existing as of the date of this Agreement.

Section 4.02. Reporting and Filing.

(a) The Sponsor and Sponsor Affiliate agree to provide a copy of Form PT-443 filed with the Department of Revenue to the County Auditor and the County Assessor of the County and any multi-county park partner county not later than 30 days after execution and delivery of this Agreement. Each year during the term of this Agreement, the Sponsor and Sponsor Affiliate shall deliver to the County, the County Auditor, the County Assessor, and the County Treasurer a copy of their most recent annual filings made with the Department of Revenue with respect to the Project, not later than thirty (30) days following delivery thereof to the Department of Revenue.

(b) (1) The Sponsor and Sponsor Affiliate agree to maintain such books and records with respect to the Project as will permit the identification of those portions of the Project placed in service in each property tax year during the Investment Period, the amount of investment with respect thereto and their computations of all FILOT Payments made hereunder

and will comply with all reporting requirements of the State and the County applicable to property subject to FILOT Payments under the Act, including the reports described in paragraph (a) (collectively, "Filings").

(2) The Sponsor and Sponsor Affiliate agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all the of Sponsor's and Sponsor Affiliate's books and records pertaining to the Project and the Filings. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by the Sponsor or Sponsor Affiliate to protect the Sponsor or Sponsor Affiliate's confidentiality and proprietary rights. Any such entrance upon and examination and inspection of the Project and Filings shall be at the County's expense.

(c) County acknowledges and understands that the Sponsor and Sponsor Affiliate may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Sponsor or Sponsor Affiliate's operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Sponsor and Sponsor Affiliate and could have a significant detrimental impact on the Sponsor's and Sponsor Affiliate's employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Sponsor and Sponsor Affiliate, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Sponsor and Sponsor Affiliate and give the Sponsor and Sponsor Affiliate the opportunity to contest the release.

Section 4.03 Modification of Project.

(a) As long as no event of default exists hereunder, the Sponsor and Sponsor Affiliate shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) The Sponsor and Sponsor Affiliate may, at their own expense, add to the Project any real and personal property as the Sponsor and/or Sponsor Affiliate in their discretion deem useful or desirable.

(ii) In any instance where the Sponsor and Sponsor Affiliate in their discretion determine that any items included in the Project have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, the Sponsor and Sponsor Affiliate may remove such items or portions from the Project and sell, trade in,

exchange, or otherwise dispose of them (as a whole or in part) without the consent of the County; as such may be permitted under the Simplified FILOT Act.

(iii) The Sponsor and Sponsor Affiliate may, at any time in their discretion by written notice to the County, remove any real or personal property from the Negotiated FILOT (as defined in Section 5.01) set forth in this Agreement, and thereafter such property will be considered Non-Qualifying Property and will be subject to FILOT Payments as set forth in Section 5.01(b)(i)(1) hereof.

ARTICLE V

PAYMENTS IN LIEU OF TAXES

Section 5.01. Payments in Lieu of *Ad Valorem* Taxes.

(a) In accordance with the Act, the parties hereby agree that, during the Term of the Agreement, the Sponsor shall pay annually, with respect to the Project, a FILOT in the amount calculated as set forth in this Section, to be collected and enforced in accordance with Section 12-44-90 of the Act.

(b) The FILOT Payment due with respect to each property tax year shall equal:

(i) For the Project:

- (1) With respect to any portion of the Project consisting of Non-Qualifying Property, as long as such property is located in the Multi-County Park, a payment equal to the *ad valorem* taxes that would otherwise be due on such Non-Qualifying Property were it taxable giving effect to all credits, exemptions, rebates and abatement that would be available if such undeveloped land or Non-Qualifying Property were taxable; and
- (2) With respect to those portions of the Project consisting of Economic Development Property, for each of the thirty consecutive years following the year in which such portion of the Project is placed in service, a payment calculated each year as set forth in paragraphs (c) and (d) below (a "Negotiated FILOT"); less Special Source Revenue Credits given to the Economic Development Property as set forth in paragraph (d) below.

(c) The Negotiated FILOT Payments shall be calculated with respect to each property tax year based on: (1) the fair market value (determined in accordance with Section 12-44-50(A)(1)(c) of the Code) of the improvements to real property and Equipment included within the Project theretofore placed in service (less, for Equipment, depreciation allowable for property tax purposes as provided in Section 12-44-50(A)(1)(c) of the Code), (2) a fixed millage rate of 282.4 for the entire term of this Agreement, and (3) an assessment ratio of six percent (6%). All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have

been applicable if such property were subject to *ad valorem* taxes, except the exemption allowed pursuant to 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) Special Source Revenue Credits shall be given to the Economic Development Property in amounts equal to 50% for years 1 – 5, and 25% for years 6-10.

(e) The FILOT payments are to be recalculated:

(i) to reduce such payments in the event the Sponsor and Sponsor Affiliate dispose of any part of the Project within the meaning of Section 12-44-50(B) of the Code and as provided in Section 4.03 hereof, by the amount applicable to the Released Property;

(ii) to increase such payments in the event the Sponsor and Sponsor Affiliate add property (other than Replacement Property) to the Project; or

(iii) to adjust such payments if the Sponsor and Sponsor Affiliate elect to convert any portion of the Project from the Negotiated FILOT to the FILOT required by Section 5.01(b)(i)(1) above, as permitted by Section 4.03(a)(iii).

(f) To the extent permitted by law, because the FILOT Payments agreed to herein are intended to be paid by the Sponsor to the County in lieu of taxes, it is agreed that said FILOT Payments shall not, as to any year, be in any amount greater than what would otherwise be payable by the Sponsor and Sponsor Affiliate to the County in property taxes if the Sponsor and Sponsor Affiliate had not entered into a fee-in-lieu of taxes arrangement with the County (except it is not intended that said FILOT Payments would necessarily be less than such property taxes to the extent that the constitutional abatement of property taxes would otherwise apply).

(g) Upon the Sponsor and Sponsor Affiliate's installation of any Replacement Property for any portion of the Project removed under Section 4.03 hereof and sold, scrapped, or disposed of by the Sponsor and Sponsor Affiliate, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(i) Replacement Property does not have to serve the same function as Economic Development Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the FILOT, whether real or personal, which is disposed of in the same property tax year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of Economic Development Property which it is replacing. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the FILOT payment for the period of time remaining on the thirty-year FILOT period for the property which it is replacing.

(ii) The new Replacement Property which qualifies for the Negotiated FILOT payment shall be recorded using its income tax basis, and the Negotiated FILOT Payment shall be calculated using the millage rate and assessment ratio provided on the original property subject to FILOT payment.

(h) In the event that the Act or the FILOT or any portion thereof, are declared, by a court of competent jurisdiction following allowable appeals, invalid or unenforceable, in whole or in part, for any reason, the Sponsor, Sponsor Affiliate and the County express their intentions that such payments be reformed so as to afford the Sponsor and Sponsor Affiliate the maximum benefit then permitted by law, including, without limitation, the benefits afforded under Section 12-44-50 of the Code and, specifically, that the Sponsor and Sponsor Affiliate may, at the Sponsor and Sponsor Affiliate's expense, exercise the rights granted by Section 12-44-160 of the Code. If the Project is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Sponsor, Sponsor Affiliate and the County agree that the Sponsor and Sponsor Affiliate shall pay an alternate fee-in-lieu of tax calculated in the manner set forth in Section 5.01(b)(i)(1) hereof. In such event, the Sponsor and Sponsor Affiliate shall be entitled, to the extent permitted by law: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Section 3(g) of Article X of the Constitution of the State of South Carolina, and any other exemption allowed by law; and (2) to enjoy all allowable depreciation. The Sponsor and Sponsor Affiliate agree that if the FILOT Payments or this Agreement is reformed pursuant to this subsection (h), that under no circumstance shall the County be required to refund or pay any monies to the Sponsor or Sponsor Affiliate.

(i) For the Project, in the event that the investment in the Project in land, buildings, and personal property, including machinery and equipment, by the Sponsor and Sponsor Affiliate does not exceed Two Million Five Hundred Thousand Dollars (\$2,500,000.00) by the end of the applicable Investment Period ("**Act Minimum Investment Requirement**"), the Negotiated FILOT Payments will revert retroactively to payments equivalent to what the *ad valorem* taxes would have been with respect to the property absent this Agreement, taking into account exemptions and/or abatements from property taxes that would have been available to the Sponsor and Sponsor Affiliate, including but not limited to any exemption and/or abatement provided pursuant to Section 12-37-220(A)(7) of the Code, less the total amount of Negotiated FILOT Payments actually made by the Sponsor and Sponsor Affiliate. No other penalty shall be asserted against the Sponsor and Sponsor Affiliate, except to the extent required by South Carolina law. The Sponsor and Sponsor Affiliate agree, if the Negotiated FILOT Payments revert to payments equivalent to what the *ad valorem* taxes would be pursuant to this subsection (i), that under no circumstance shall the County be required to refund or pay any monies to the Sponsor or Sponsor Affiliate.

Section 5.02. Clawbacks.

(a) (1) If the Company satisfies the Act Minimum Investment Requirement but does not satisfy either the Minimum Contractual Investment Requirement or the Minimum Contractual Jobs Requirement (note that the Sponsor is responsible for the Minimum Contractual Jobs Requirement and not the Sponsor Affiliate, and therefore if the Minimum Contractual Jobs Requirement is not met but the investment requirements are met, the Sponsor shall be responsible for any resulting clawbacks for failure to meet the Minimum Contractual Jobs

Requirement, if any), or both, the Company shall be required to repay to the County a portion of the Special Source Revenue Credits received and the repayment amount shall be calculated as follows:

Repayment Amount = Total Amount of Special Source Revenue Credits Received minus [dollar amount of Special Source Revenue Credits received times Clawback Achievement Percentage]

Clawback Achievement Percentage = [(Maximum Investment Achieved During Investment Period / \$21,200,000) + (Maximum Number of Jobs Meeting Minimum Contractual Jobs Requirement / 672)] ÷ 2. *Provided, however*, that neither of the two computations may be more than one hundred percent (100%).

For example, and by way of example only, if the Company satisfied the Act Minimum Investment Requirement during the Investment Period, created 700 jobs meeting the Minimum Contractual Jobs Requirement but only achieved a maximum investment of \$20,000,000, and if the Company had received \$500,000 in Special Source Revenue Credits, the Repayment Amount would be \$14,151, calculated as follows:

Clawback Achievement Percentage = (\$20,000,000 / \$21,200,000) + (700/ 675) ÷ 2 = (94.33962% + 100%) ÷ 2 = 194.33962 ÷ 2 = 97.16981%

Repayment Amount = \$500,000 - (\$500,000 x 97.16981%) = \$500,000 - \$485,849 = \$14,151.

(2) If the Sponsor and Sponsor Affiliate are required to make a repayment to the County pursuant to subsection (a)(1) of this section, then the Sponsor and Sponsor Affiliate are not eligible for any Special Source Revenue Credits after the end of the Investment Period.

(3) In the event that both the Minimum Contractual Investment Requirement and the Minimum Contractual Jobs Requirement are satisfied by the end of the Investment Period, but following the Investment Period, investment in the Project, without regard to depreciation or other diminution in value, falls below the investment level set forth in the Minimum Contractual Investment Requirement or the number of new, full-time jobs falls below that set forth in the Minimum Contractual Jobs Requirement, then the Sponsor and Sponsor Affiliate agree that the Sponsor and Sponsor Affiliate forfeit the Special Source Revenue Credit for the year in which either the Minimum Contractual Investment Requirement or the Minimum Contractual Jobs Requirement, or both, is not maintained. On or before May 31 of the year following the end of the Investment Period, and for each year thereafter that the Sponsor and Sponsor Affiliate would be eligible for a Special Source Revenue Credit, the Sponsor and Sponsor Affiliate shall certify to the County Auditor that the Company has complied with the Minimum Contractual Investment Requirement and Minimum Contractual Jobs Requirement, and, to the extent that the credit would apply to a year after the end of the Investment Period, that the Sponsor and Sponsor Affiliate have maintained the Minimum Contractual Investment Requirement and Minimum Contractual Jobs Requirement. If the certification is not made or is received after May 31 of the applicable year, then the Sponsor and Sponsor Affiliate agree that the Special Source Revenue Credit is forfeited for the then applicable year.

(b) Notwithstanding any other provision of this Fee Agreement, the Sponsor and Sponsor Affiliate acknowledges and agrees that County's obligation to provide the FILOT incentive and the Special Source Revenue Credits ends, and this Fee Agreement is terminated, if the Sponsor ceases operations. For purposes of this Section 5.02(b), "**ceases operations**" means closure of the facility. The provisions of Section 5.02(a) relating to clawback apply if this Fee Agreement is terminated in accordance with this subsection prior to the end of the Investment Period and before the Company has achieved the Minimum Contractual Investment Requirement and Minimum Contractual Jobs Requirement. The Sponsor and Sponsor Affiliate agree that if this Agreement is terminated pursuant to this section, that under no circumstance shall the County be required to refund or pay any monies to the Sponsor and Sponsor Affiliate.

ARTICLE VI

PAYMENT OF EXPENSES BY SPONSOR

Section 6.01. Defaulted Payments. In the event the Sponsor should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of the Sponsor until the amount in default shall have been fully paid. If any such default relates to its obligations to make FILOT Payments hereunder, the Sponsor agrees to pay the same with interest as provided in Section 12-44-90 of the Code.

ARTICLE VII

CASUALTY AND CONDEMNATION

Section 7.01. Adjustments in the Event of Damage and Destruction or Condemnation. In the event that the Project or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, the Sponsor and Sponsor Affiliate, in their sole discretion, may determine whether or not to repair or replace the same. The parties hereto agree that if the Sponsor and Sponsor Affiliate decide not to repair or replace all or any portion of the Project pursuant to this Section, the FILOT required pursuant to Section 5.01 hereof shall be abated in the same manner and in the same proportion as if *ad valorem* taxes were payable with respect to the Project.

ARTICLE VIII

PARTICULAR COVENANTS AND AGREEMENTS

Section 8.01. Use of Project for Lawful Activities. During the Term of this Agreement, the Sponsor and Sponsor Affiliate shall use the Project for any lawful purpose authorized pursuant to the Act.

Section 8.02. Assignment. The County agrees that, to the maximum extent allowable under the Act (or any amendments thereto), the Sponsor and/or Sponsor Affiliate may assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights or obligations under this Agreement, and any lease agreement, lease purchase agreement, or fee agreement, as the case may be, or any other agreement related hereto or thereto, or transfer any and all assets of the Sponsor and/or Sponsor Affiliate, to one or more

Related Entities (as defined in Section 9.01 below) without adversely affecting the benefits of the Sponsor and/or Sponsor Affiliate or their assignees pursuant to any such agreement or the Act. The County agrees that, to the extent permitted by law, the investments in the Project by any Affiliate related to the Sponsor and/or Sponsor Affiliate (except that the investment set for in Section 4.01 hereof must be met in accordance with the terms therein) shall be considered as an investment by the Sponsor and/or Sponsor Affiliate in the Project. The Sponsor and/or Sponsor Affiliate shall provide the County and the Department of Revenue with notice of any such assignment, transfer, or investment in accordance with the Act, and the County agrees, upon the request of the Sponsor and/or Sponsor Affiliate, to take all further action necessary to implement such assignment, transfer, or investment in accordance with the provisions of the Act. To the extent that the Act may require the consent, approval or ratification of or by the County for the assignment of this Agreement, in whole or in part, the County agrees to not unreasonably withhold its consent, approval or ratification.

Section 8.03. Indemnification of the County. The Sponsor and Sponsor Affiliate release the County, including the members of the governing body of the County, and the employees, officers, attorneys and agents of the County (herein collectively referred to as the "Indemnified Parties" and each an "Indemnified Party") from, agrees that the Indemnified Parties shall not be liable for, and agrees to hold the Indemnified Parties harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to this Agreement, the Project or the use thereof, except for that occasioned by grossly negligent or intentional acts of an Indemnified Party. The Sponsor and Sponsor Affiliate further agree to indemnify and save harmless Indemnified Parties against and from any and all costs, liabilities, expenses, and claims arising from any breach or default on the part of the Sponsor and Sponsor Affiliate in the performance of any covenant or agreement on the part of the Sponsor and Sponsor Affiliate to be performed pursuant to the terms of this Agreement or arising from any act or negligence of, or negligent failure to act where there is a duty to do so by, the Sponsor and Sponsor Affiliate, or any of their agents, attorneys, contractors, servants, employees, or licensees, and from and against all cost, liability, and expenses incurred in or in connection with any such claim or action or proceeding brought thereon.

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

Notwithstanding the fact that it is the intention of the Indemnified Parties hereto that none of them shall incur any pecuniary liability by reason of the terms of this Agreement, any related agreements or the undertakings required of the County hereunder by reason of the performance of any act requested of the County by the Sponsor and 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 any Indemnified Party shall incur any such pecuniary liability, then in such event the Sponsor and Sponsor Affiliate shall indemnify and hold them

harmless against all claims by or on behalf of any Person, firm, or corporation or other legal entity 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 provided, however, that nothing herein shall absolve the Indemnified Parties from, or entitle the Indemnified Parties to indemnification from, any obligation such Indemnified Party has specifically agreed to undertake (including, without limitation, the obligation to place and maintain the Land within a multi-county park). If any action, suit, or proceeding is brought against any Indemnified Party to which such Indemnified Party is entitled to indemnification, such Indemnified Party shall promptly notify the Sponsor and Sponsor Affiliate, and the Sponsor and Sponsor Affiliate shall have the sole right and duty to assume, and shall assume, the defense thereof, at its expense, with full power to litigate, compromise, or settle the same in their sole discretion; provided the Sponsor and Sponsor Affiliate shall obtain the prior written consent of the County to settle any such claim unless such claim is for monetary damages for which the Sponsor and Sponsor Affiliate have the ability to, and do, pay. Notwithstanding the foregoing, in the event the County reasonably believes there are defenses available to it that are not being pursued or that the counsel engaged by the Sponsor and Sponsor Affiliate reasonably determines that a conflict of interest exists between the County and the Sponsor and Sponsor Affiliate, the County may, in its sole discretion, hire independent counsel to pursue its own defense, and the Sponsor and Sponsor Affiliate shall be liable for the reasonable cost of such counsel.

The indemnity specified in this Section shall be in addition to any heretofore extended by the Sponsor and Sponsor Affiliate to any Indemnified Party and shall survive the termination of this Agreement with respect to liability arising out of any event or act occurring prior to such termination.

ARTICLE IX

FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS

Section 9.01. Conveyance of Liens and Interests; Assignment. The Sponsor and Sponsor Affiliate may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to the Project to any Person; or (b) enter into any lending, financing, security, or similar arrangement or succession of such arrangements with any financing entity with respect to the Agreement or the Project, including without limitation any sale, leaseback, or other financing lease arrangement; provided that, in connection with any of the foregoing transfers: (i) except in connection with any transfer to the Sponsor or Sponsor Affiliate, any of the Sponsor and Sponsor Affiliate's affiliates (collectively, the "Related Entities"), or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), the Sponsor and Sponsor Affiliate shall first obtain the prior written consent or subsequent ratification of the County; (ii) except where 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 transferee or financing entity assumes in writing the obligations of the Sponsor and Sponsor Affiliate hereunder, or where the County consents in writing, no such transfer shall affect or reduce any of the obligations of the Sponsor and Sponsor Affiliate hereunder, but all obligations of the Sponsor and Sponsor Affiliate hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety; (iii) the Sponsor and Sponsor Affiliate, transferee, or financing entity shall, within 60 days thereof, furnish or cause to be furnished to the County and the

Department of Revenue a true and complete copy of any such transfer agreement; and (iv) the Sponsor and Sponsor Affiliate and the transferee shall comply with all other requirements of the Transfer Provisions.

The Sponsor and Sponsor Affiliate acknowledge that such a transfer of an interest under this Agreement or in the Project may cause the Project to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Sponsor and Sponsor Affiliate with the Transfer Provisions.

Section 9.02. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge the application of the provisions of Section 12-44-90 of the Act, and that the County's right to receive FILOT Payments hereunder shall be the same as its rights conferred under Title 12, Chapter 49 and 54, among others, of the Code relating to the collection and enforcement of *ad valorem* property taxes. The County's rights under this Agreement, except for its rights to receive FILOT revenues, shall be subordinate to the rights of any secured party or parties under any financing arrangements undertaken by the Sponsor and Sponsor Affiliate with respect to the Project pursuant to Section 9.01 hereof, such subordination to be effective without any additional action on the part of the County; provided, however, that the County hereby agrees, at the Sponsor's expense, to execute such agreements, documents, and instruments as may be reasonably required by such secured party or parties to effectuate or document such subordination.

ARTICLE X

TERM; TERMINATION

Section 10.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Sponsor and Sponsor Affiliate execute this Agreement, and ending at midnight on the last day of the property tax year in which the last Negotiated FILOT Payment is due hereunder. The Project has a term of thirty years, as calculated pursuant to the respective dates when the relevant portions of the Project are placed in service, and as discussed in greater detail in this Agreement. The County's rights to receive indemnification and payment of Administration Expenses pursuant hereto shall survive the expiration or termination of this Agreement.

Section 10.02. Termination. The County and the Sponsor and/or Sponsor Affiliate may agree to terminate this Agreement at any time, or the Sponsor and Sponsor Affiliate, may, at their option, terminate this Agreement at any time upon providing the County 30 days' notice of such termination, in which event the Project shall be subject to *ad valorem* taxes from the date of termination.

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default by Sponsor. Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default by the Sponsor:

(a) if default shall be made in the due and punctual payment of any FILOT Payments, indemnification payments, or Administration Expenses, which default shall not have been cured within 30 days following receipt of written notice thereof from the County;

(b) if default shall be made by the Sponsor in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (a), and such default shall continue for 90 days after the County shall have given the Sponsor written notice of such default, provided, the Sponsor shall have such longer period of time as necessary to cure such default if the Sponsor proceeds promptly to cure such default and thereafter to prosecute the curing of such default with due diligence; or

(c) a cessation of operations at the Project.

Section 11.02. Remedies on Event of Default by Sponsor. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies, any of which may be exercised at any time during the periods permitted under the following clauses:

(a) terminate this Agreement by delivery of written notice to the Sponsor and Sponsor Affiliate not less than 30 days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Sponsor pertaining to the construction, acquisition, or maintenance of the Project; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition, or agreement of the Sponsor under this Agreement.

Section 11.03. Default by the County. Upon the default of the County in the performance of any of its obligations hereunder, the Sponsor and Sponsor Affiliate may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation, a suit for mandamus or specific performance. Provided, however, that 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.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Sponsor and Sponsor Affiliate provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced; and the exercise by the County or by the Sponsor and Sponsor Affiliate of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Sponsor and Sponsor Affiliate of any or all such other rights, powers or remedies.

Section 12.02. Administration Expenses.

(a) The Sponsor agrees to reimburse the County from time to time for its Administration Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administration Expenses.

(b) The Sponsor agrees to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual Fee Payments and any special source revenue credits, *provided, however*, the maximum annual reimbursement pursuant to this subsection is capped at one thousand dollars (\$1000.00).

Section 12.03. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns as permitted hereunder.

Section 12.04. Notices; Demands; Requests. All notices, demands and requests to be given or made hereunder to or by the County or the Sponsor and Sponsor Affiliate shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid or via facsimile or other commonly-used electronic transmission or reputable courier service, addressed as follows or to such other persons and places as may be designated in writing by such party.

AS TO THE COUNTY: County of Lancaster, South Carolina
ATTN: Steve Willis, County Administrator
101 N. Main St. (29720)
PO Box 1809 (29721-1809)
Lancaster, South Carolina
Telephone: (803) 416 - 9300
Fax: (803) 285 - 3361
Email: swillis@lancastercountysc.net

WITH A COPY TO: John Weaver
(which shall not County Attorney, Lancaster County
constitute notice) 101 N. Main St. (29720)
PO Box 1809 (29721-1809)

Lancaster, South Carolina
Telephone: (803) 416 - 9426
Fax: (803) 285 - 3361
Email: jweaver@lancastercountysc.net

AS TO THE SPONSOR AND SPONSOR AFFILIATE:

Sponsor:

Movement Mortgage, LLC
8024 Calvin Hall Road
Indian Land, South Carolina 29702

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

Ms. Stephanie L. Yarbrough (attorney for Sponsor)
Womble Carlyle Sandridge & Rice, LLP
5 Exchange Street
Charleston, South Carolina 29401
Phone: (843) 720-4621
styarbrough@wcsr.com

Sponsor Affiliate:

TKC CCII, LLC
ATTN: Greg Keith and Ken Beuley
5935 Carnegie Boulevard
Suite 200
Charlotte, North Carolina 28209
Phone: (704) 365-6000
ken@thekeithcorp.com

Section 12.05. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

Section 12.06. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 12.07. Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 12.08. Headings and Table of Contents, References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 12.09. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

Section 12.10. Amendments. Subject to the limitations set forth in the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by all parties.

Section 12.11. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 12.12. Force Majeure. The Sponsor and Sponsor Affiliate shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, labor shortages, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Sponsor and Sponsor Affiliate's reasonable control.

[SIGNATURE PAGE TO FOLLOW]

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 Council Chair and Council Secretary and to be attested by the Clerk to 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.

LANCASTER COUNTY, SOUTH CAROLINA

Bob Bundy, Chair, County Council

Steve Harper, Secretary, County Council

ATTEST:

Debbie C. Hardin, Clerk to Council

MOVEMENT MORTGAGE, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

TKC CCII, LLC,
a North Carolina limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT A

**PROPERTY DESCRIPTION
LANCASTER COUNTY**

Agenda Item Summary

Ordinance # / Resolution#:	Discussion/ Action Item
Contact Person / Sponsor:	Steve Willis
Department:	Administration
Date Requested to be on Agenda:	Administration Committee – September 17, 2015 County Council – October 12, 2015

Issue for Consideration:

Potential residency requirement for some department heads.

Points to Consider:

Council must determine if it desires to impose such a requirement as part of the Personnel Policy.

The change would be prospective in nature and current department heads that do not live in Lancaster County would be exempted.

Draft of Policy Statement:

Residency Requirement

Those department heads subject to the County Administrators control, pursuant to Title 9 of Chapter 4 of the South Carolina Code of Laws shall have their primary residence within the county limits of Lancaster County, unless such requirement is waived by the Administrator due to hardship. When necessary, the employee shall be granted a period not to exceed twelve (12) months to move. This section shall not apply to those department heads employed prior to January 1, 2016.

Funding and Liability Factors:

N/A

Council Options:

Direct preparation of necessary documents to modify the Personnel Policy or remove this from the 2016 Project List.

Staff Recommendation:

If the desire is to insure a prompt emergency response then I need to point out a drive time requirement would be better. A person living in Fort Lawn or Catawba could respond more rapidly than a resident of Charlesboro or Three C's. If this is a policy desire to insure senior management has a vested interest then this is a valid concern. I do need to note this does not apply to all department heads per state law.

Committee Recommendation:

By a vote of 2 in favor and 1 opposed the Committee forwards this with an affirmative recommendation.

P.O. Box 995
1550 Gadsden Street
Columbia, SC 29202
dew.sc.gov



Nikki R. Haley
Governor

Cheryl M. Stanton
Executive Director

STATE INSTRUCTION NUMBER 15-08

To: County Council Chairs
Workforce Area Signatory Officials
Workforce Area Administrators

Subject: Identification and Alignment of WIOA Planning Regions

Issuance Date: October 28, 2015

Effective Date: Immediately

Purpose: To identify the planning regions within the state for purposes of the Workforce Innovation and Opportunity Act (WIOA).

Background: WIOA requires the Governor to identify regions, consisting of one or more local areas. The purpose for identifying regions is to align workforce and economic development resources, to align education and training with regional talent needs, to provide efficient and coordinated services to job seekers and employers, and to support the development and implementation of sector strategies and career pathways.

In determining the alignment of regions, WIOA requires consideration of the extent to which local areas in a proposed region: share a single labor market, share a common economic development area, and possess the Federal and non-Federal resources (including appropriate education and training institutions) to administer activities under WIOA. Additional factors were considered as follows:

- population centers;
- labor force conditions;
- commuting patterns;
- industry composition and location quotients;
- income, poverty and educational attainment; and,
- in-demand occupations.

The data collected as part of this process was examined by state workforce partners, including the Department of Commerce, Department of Education, Department of Employment and Workforce, and the State Technical College System. These entities agreed to move the consultation process forward with a four (4) region alignment.

More than 100 individuals were invited to participate in a webinar to identify the proposed regions, review the supporting data, explain the consultation process, and solicit feedback and questions. Invitees consisted of state workforce development board members, state workforce partners, county council chairs, local workforce area signatory officials and administrators, and local workforce development board chairs. During the subsequent public comment period four comments were received, with outreach and follow-up conducted to address the comments. The proposed regional alignment and comments were presented to the State Workforce Development Board (SWDB) on October 20, 2015. On behalf of the Governor, the SWDB approved the planning regions as proposed.


Policy: As a result of the process outlined above and approved by the SWDB, the regional alignment for WIOA planning and coordination purposes consists of the following four (4) regions:

- Upstate – includes Upper Savannah, WorkLink, Greenville and Upstate local workforce areas
- Central – includes Lower Savannah, Midlands and Catawba local workforce areas
- Pee Dee – includes Santee-Lynches, Pee Dee and Waccamaw local workforce areas
- South Coast – includes Trident and Lowcountry local workforce areas.

The attached map identifies the geographical boundaries of each region.

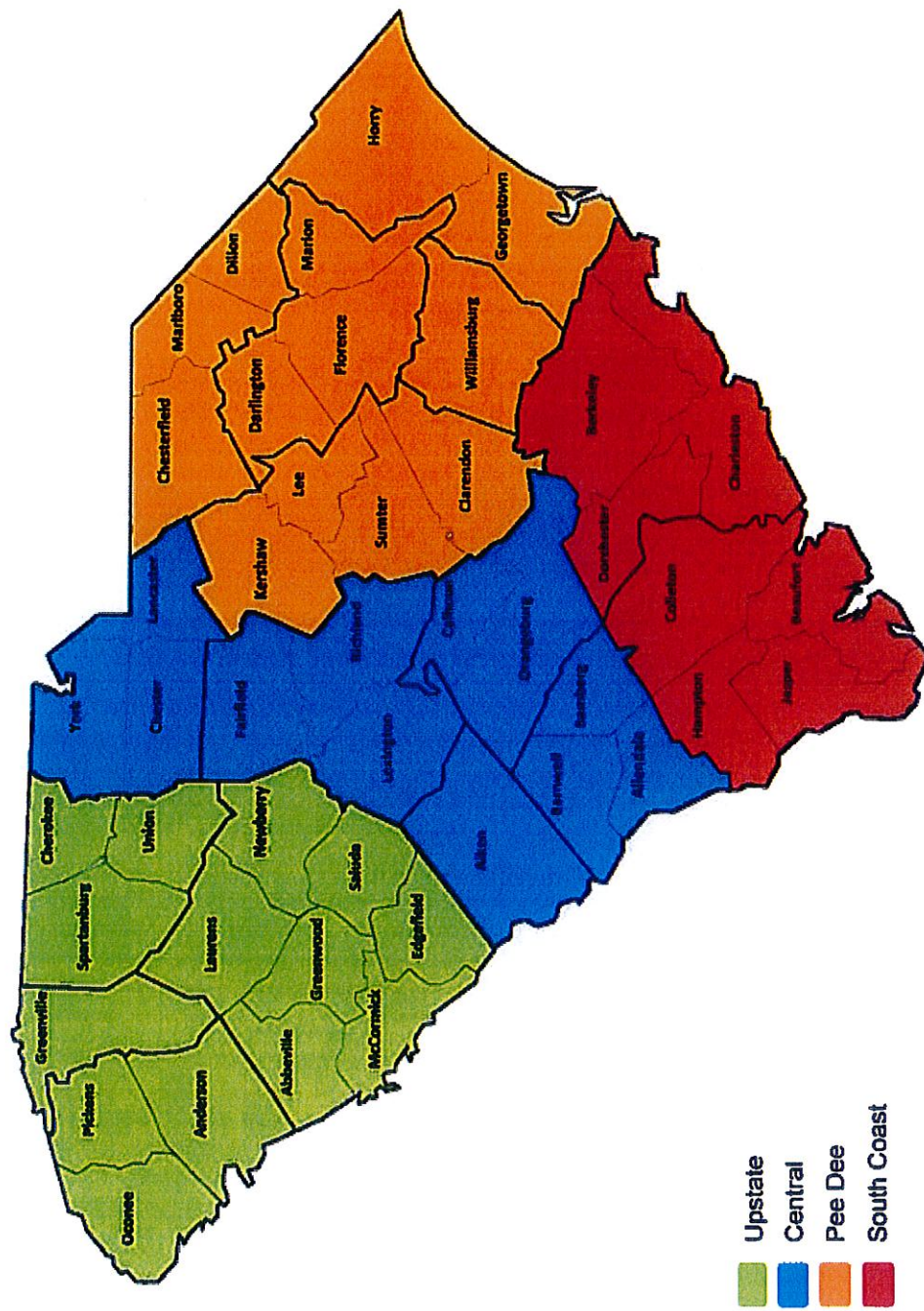
Action: Please ensure that all staff and local workforce development board members receive and understand this policy.

Inquiries: Questions may be directed to Rebecca Battle-Bryant at RBBryant@dew.sc.gov or (803) 737-0387.


Patricia Sherlock, Director
Policies and Procedures

Attachment

South Carolina WIOA Planning Regions



Report to Lancaster County Council
on Lancaster Area Ride Service (LARS)

Report Period:

10/01/2012- 1/1/2013- 4/1/2013-
12/31/2012 3/31/2013 6/30/2013

FY 2012 - 2013 LARS Only

	Fiscal Year				Total	2013 Average
Trips	1810	1894	1974		5678	1893
Unduplicated Individuals	69	49	52			57
Passenger Miles	24,605	22,159	21,182		67946	22649
Operational Costs	\$ 25,331.74	\$ 26,402.00	\$ 28,877.71	\$ 80,611.45	\$ 26,870.48	
Capital Costs	\$ -					
Total Costs:	\$ 25,331.74	\$ 26,402.00	\$ 28,877.71	\$ 80,611.45	\$ 26,870.48	
Operational Cost Per Trip	\$ 14.00	\$ 13.94	\$ 14.63		\$ 14.19	
Operational Cost Per Individual	\$ 367.13	\$ 538.82	\$ 555.34		\$ 487.09	
Operational Cost Per Passenger Miles	\$ 1.03	\$ 1.19	\$ 1.36		\$ 1.19	

Report Period:

7/1/2013- 10/01/2013- 1/1/2014- 4/1/2014-
9/30/2013 12/31/2013 3/31/2014 6/30/2014

FY 2013 - 2014 Includes JARC; SMTP and LARS Trips

	Fiscal Year				Total	2014 Average
Trips	2091	1953	2167	1974	8185	2046
Unduplicated Individuals	132	77	66	53		82
Passenger Miles	22,764	22,198	20,511	20674	86147	21537
Operational Costs	\$ 21,562.52	\$ 28,729.14	\$ 25,971.24	\$ 34,115.00	\$ 110,377.90	\$ 27,594.48
Capital Costs	\$ -					\$ -
Total Costs:	\$ 21,562.52	\$ 28,729.14	\$ 25,971.24	\$ 34,115.00	\$ 110,377.90	\$ 27,594.48
Operational Cost Per Trip	\$ 10.31	\$ 14.71	\$ 11.98	\$ 17.28		13.57
Operational Cost Per Individual	\$ 163.35	\$ 373.11	\$ 393.50	\$ 643.68		393.41
Operational Cost Per Passenger Miles	\$ 0.95	\$ 1.29	\$ 1.27	\$ 1.65		1.29

Report Period:

7/1/2014- 10/01/2014- 1/1/2015- 4/1/2015-
9/30/2014 12/31/2014 3/31/2015 6/30/2015

FY 2014 - 2015 Includes JARC; SMTP and LARS Trips

	Fiscal Year				Total	2015 Average
Trips	2173	2259	1802	1810	8044	2011
Unduplicated Individuals	205	55	46	48		89
Passenger Miles	25,160	25,547	20,458	22382	93547	23387
Operational Costs	\$ 24,834.00	\$ 27,524.00	\$ 30,543.00	\$ 32,615.35	\$ 115,516.35	\$ 28,879.09
Capital Costs	\$ -					\$ -
Total Costs:	\$ 24,834.00	\$ 27,524.00	\$ 30,543.00	\$ 32,615.35	\$ 115,516.35	\$ 28,879.09
Operational Cost Per Trip	\$ 11.43	\$ 12.18	\$ 16.95	\$ 18.02		14.65
Operational Cost Per Individual	\$ 121.14	\$ 500.44	\$ 663.98	\$ 679.49		491.26
Operational Cost Per Passenger Miles	\$ 0.99	\$ 1.08	\$ 1.49	\$ 1.46		1.25

Report Period:

7/1/2015- 10/01/2015- 1/1/2016- 4/1/2016-
9/30/2015 12/31/2015 3/31/2016 6/30/2016

FY 2015 - 2016 Includes JARC; SMTP and LARS Trips

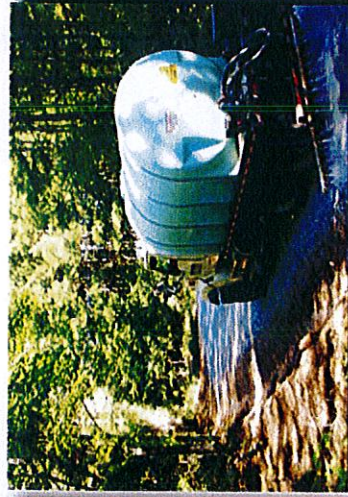
	Fiscal Year				Total	2016 Average
Trips	2081				2081	520
Unduplicated Individuals	190					48
Passenger Miles	23,113				23113	5778
Operational Costs	\$ 40,284.02				\$ 40,284.02	\$ 10,071.01
Capital Costs						\$ -
Total Costs:	\$ 40,284.02	\$ -	\$ -	\$ -	\$ 40,284.02	\$ 10,071.01
Operational Cost Per Trip	\$ 19.36	#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!
Operational Cost Per Individual	\$ 212.02	#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!
Operational Cost Per Passenger Miles	\$ 1.74	#DIV/0!	#DIV/0!	#DIV/0!		#DIV/0!

JARC-Job Access Reverse Commute Funding-Funding for Transportation to Jobs and Job Training
SMTP-State Mass Transit Program-funding those persons living in Urbanized Areas until 6/30/2015
LARS-5311 Public Transit Funding



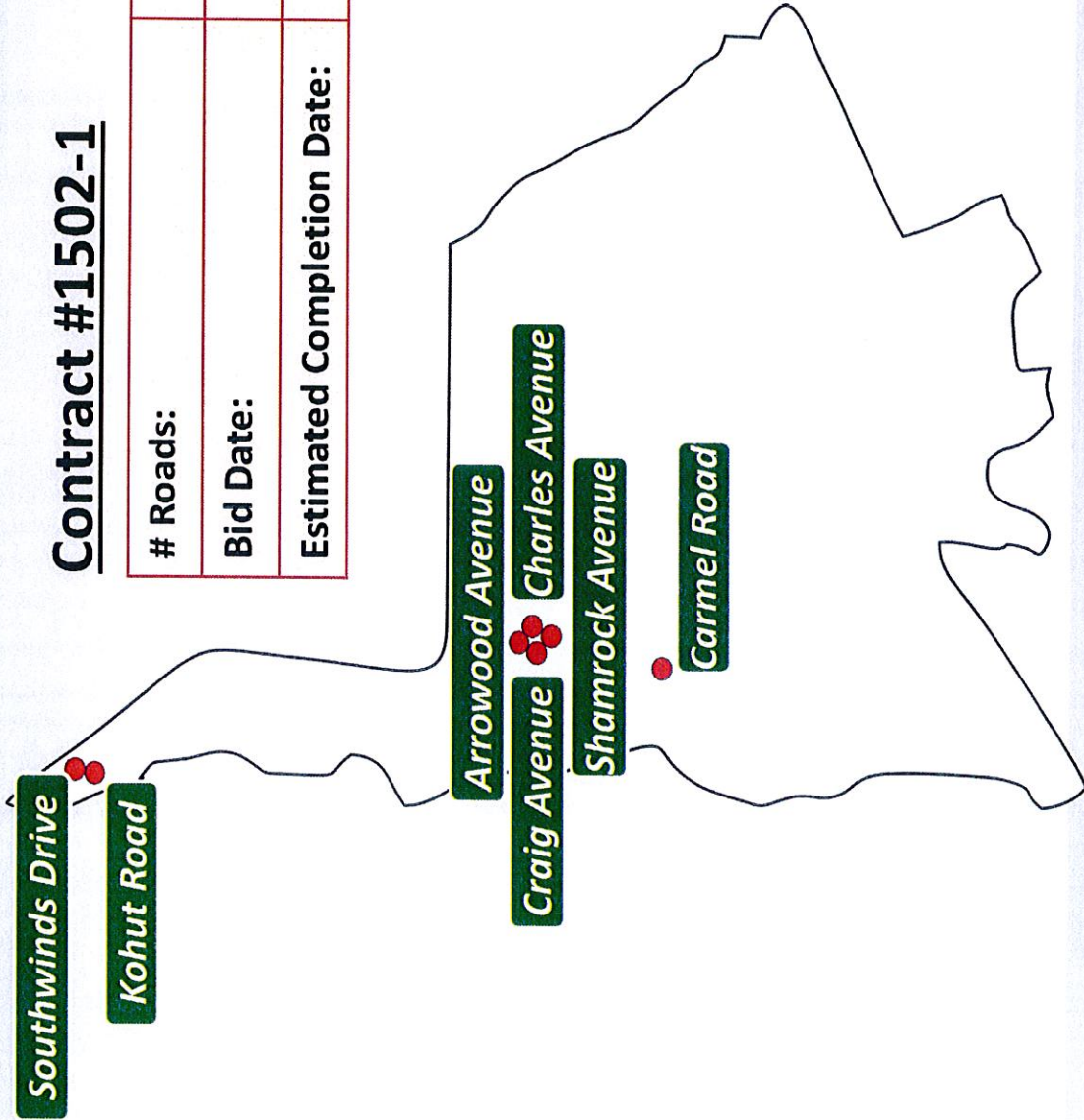
Sales Tax Road Program

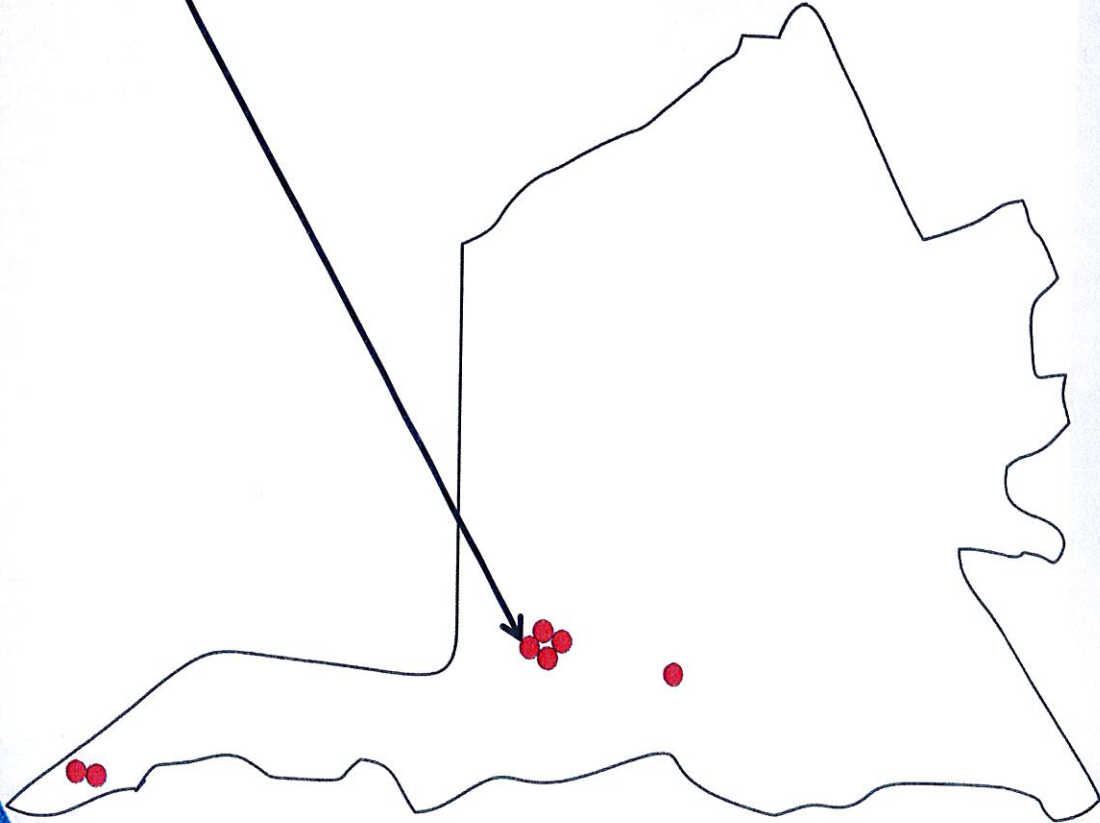
As of October 31, 2015



Contract #1502-1

# Roads:	7
Bid Date:	09/02/2015
Estimated Completion Date:	08/31/2016





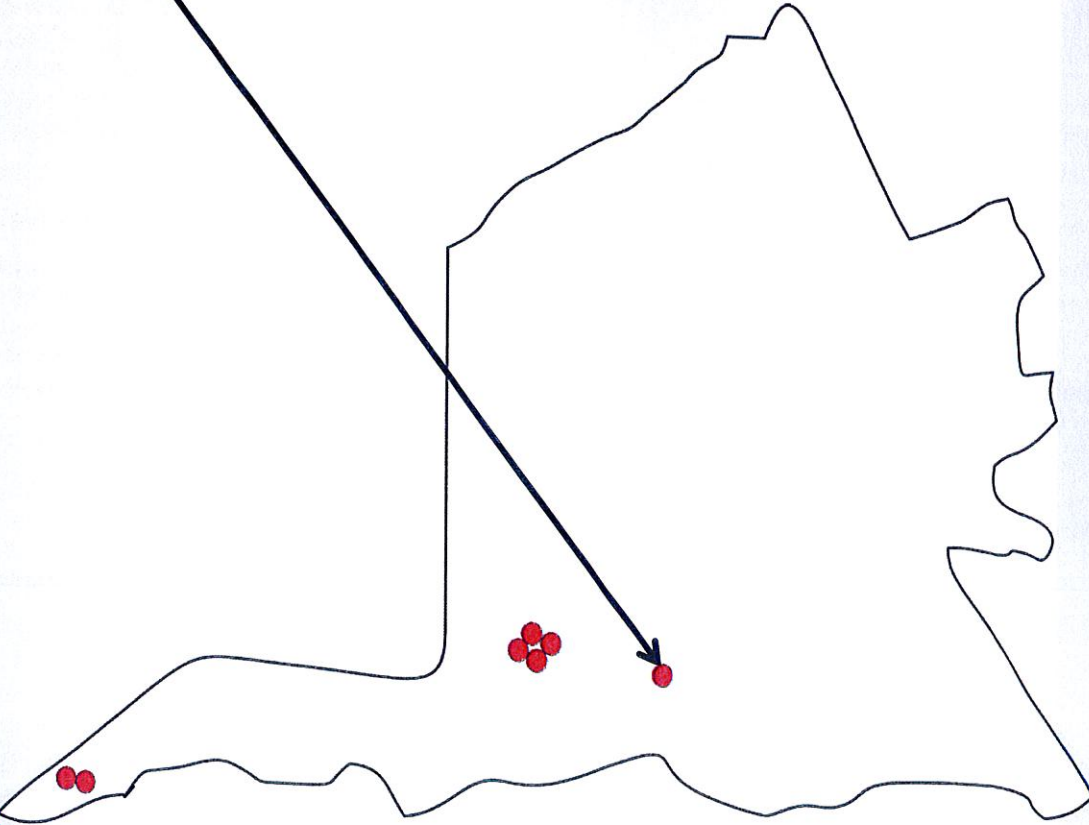
Contract #1502-1

Arrowood Avenue

Estimated Costs*	\$236,104.20
Actual Costs*	\$222,065.66

**Includes Engineering & CE&I Fees*



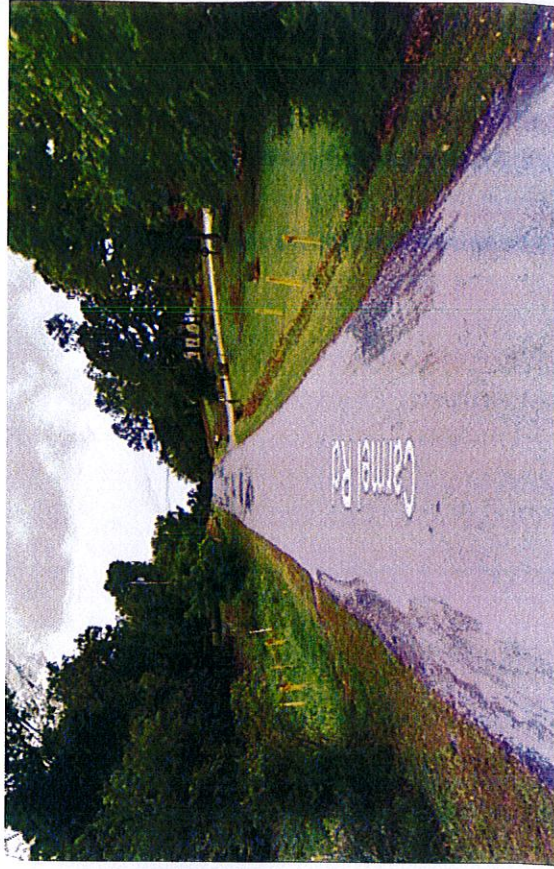


Contract #1502-1

Carmel Road

Estimated Costs*	\$217,873.25
Actual Costs*	\$182,181.85

*Includes Engineering & CE&I Fees

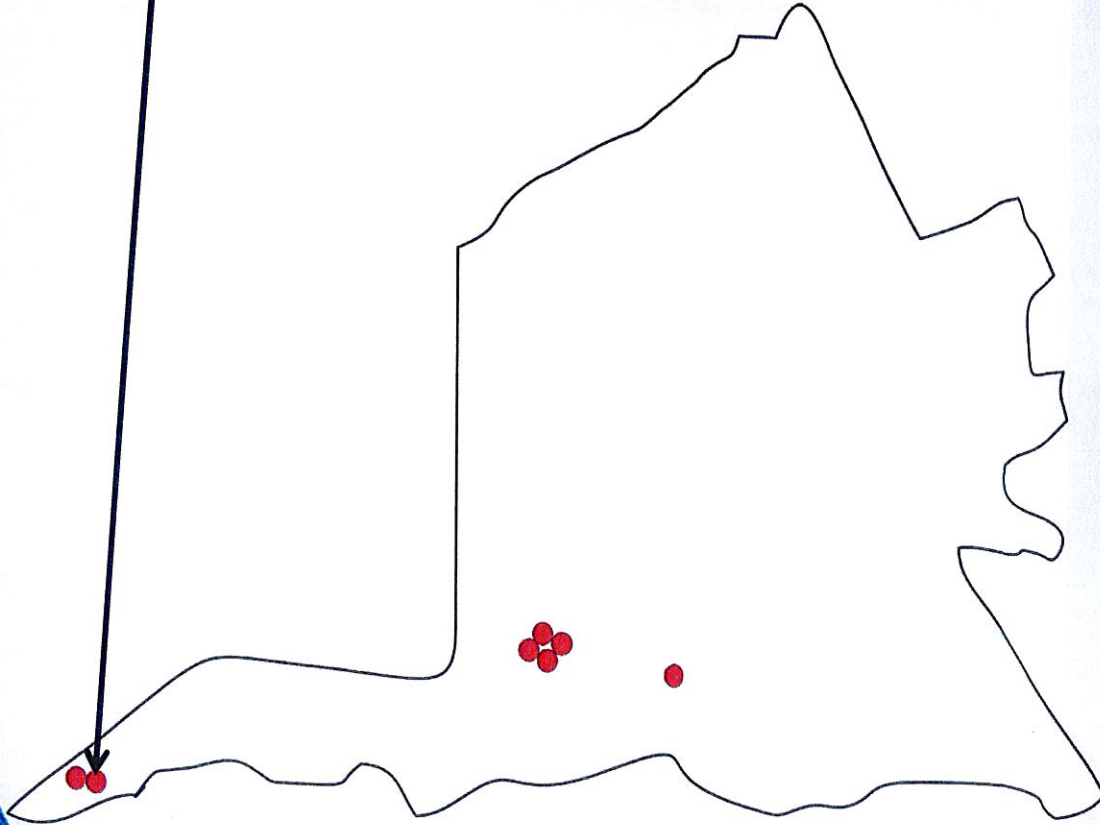
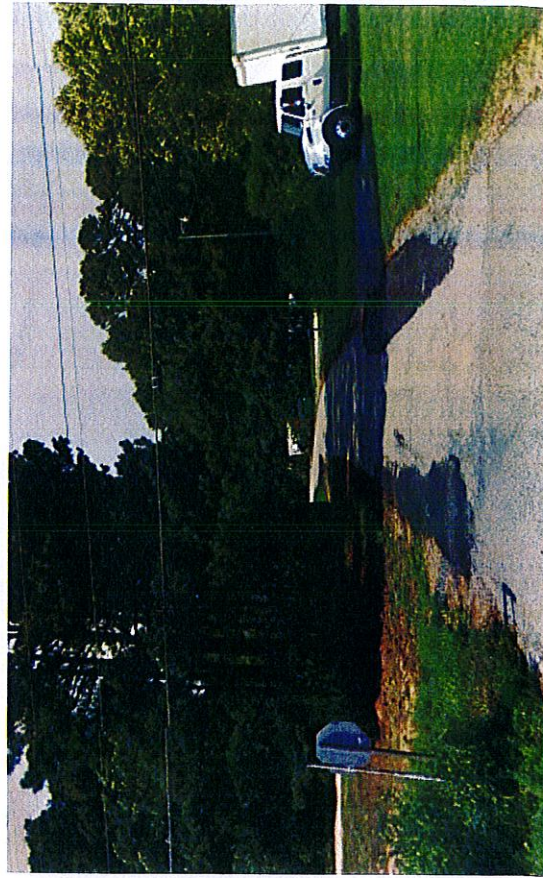


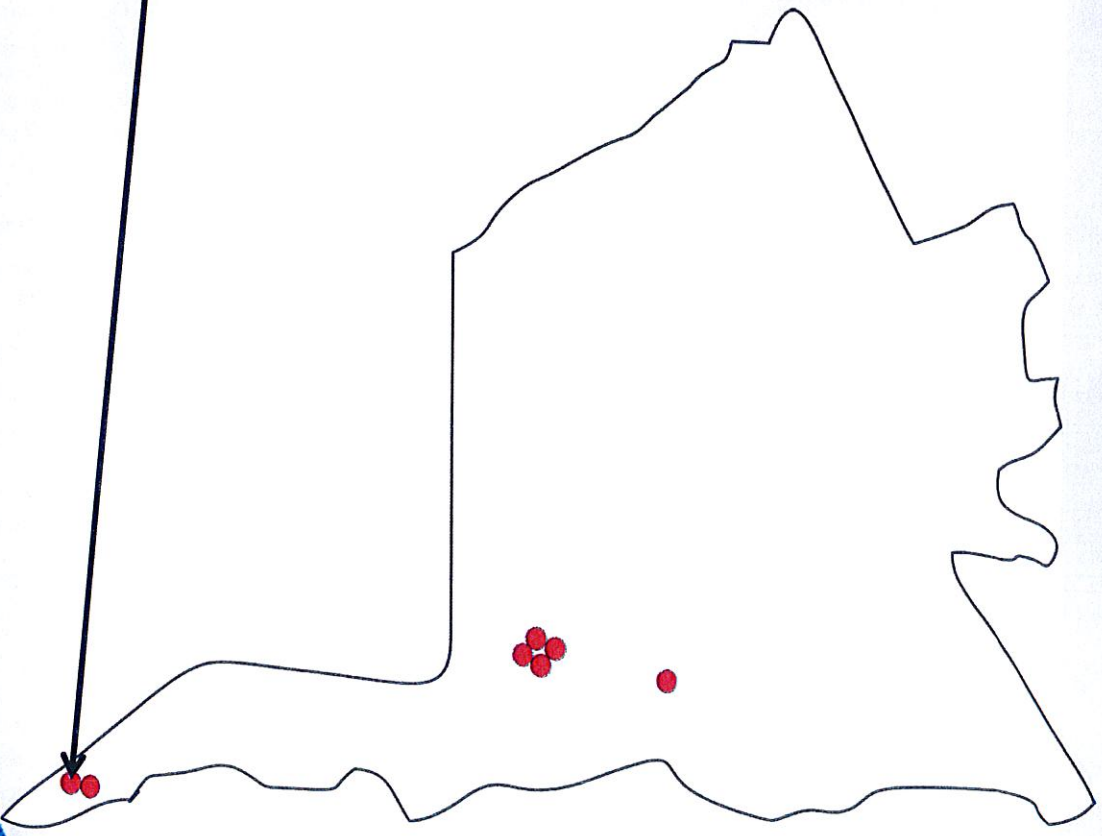
Contract #1502-1

Kohut Road

Estimated Costs*	\$86,773.25
Actual Costs*	\$72,221.50

**Includes Engineering & CE&I Fees*



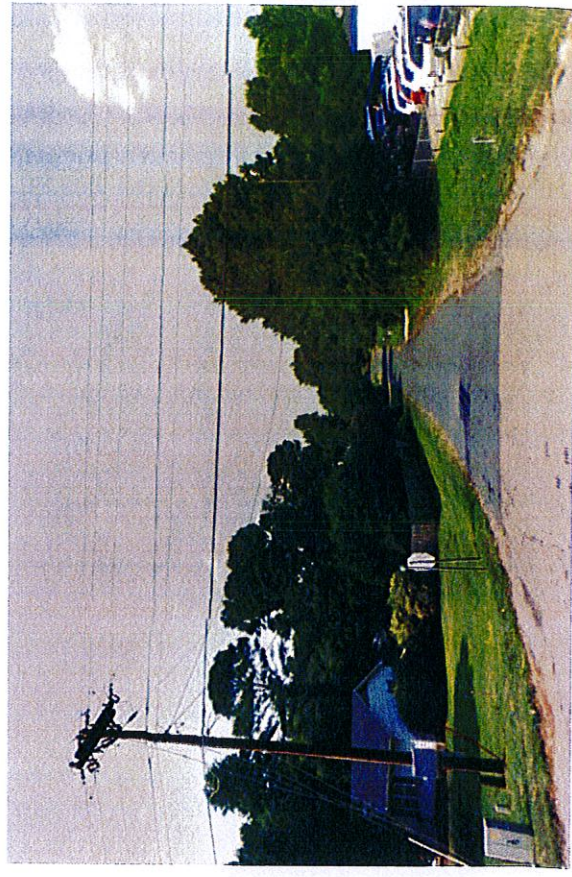


Contract #1502-1

Southwinds Drive

Estimated Costs*	\$330,392.70
Actual Costs*	\$327,947.80

**Includes Engineering & CE&I Fees*

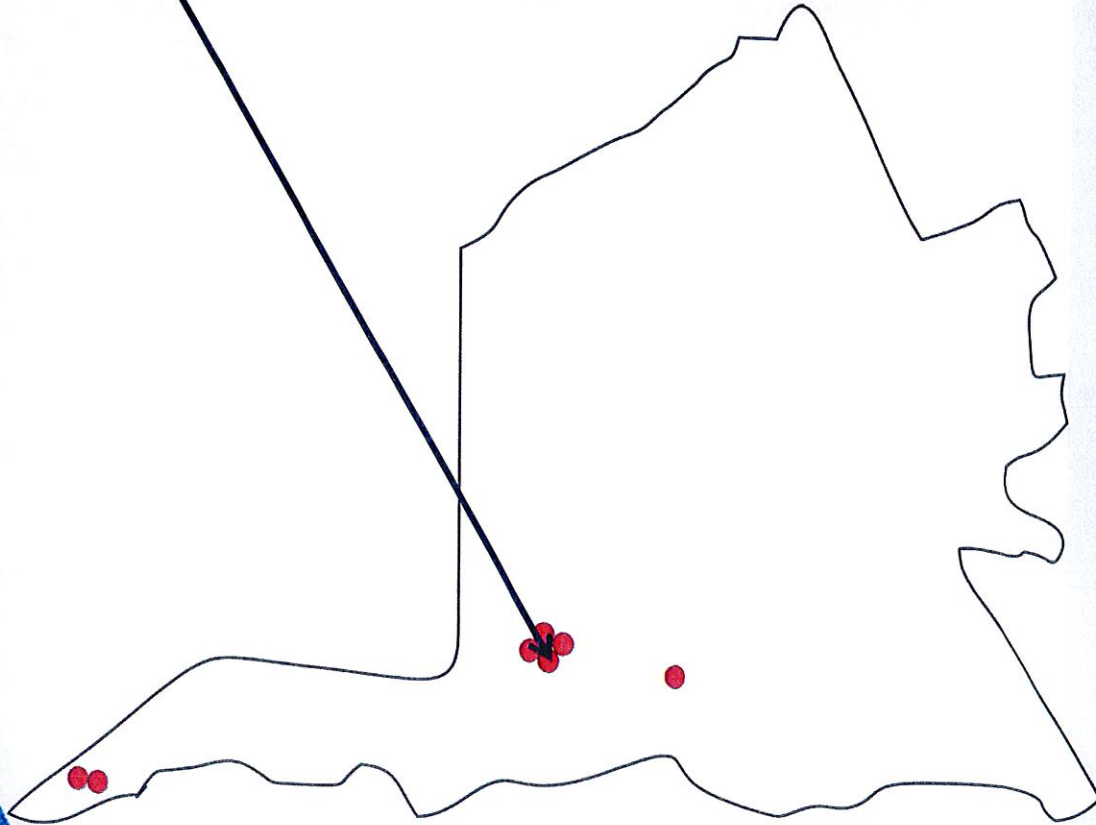


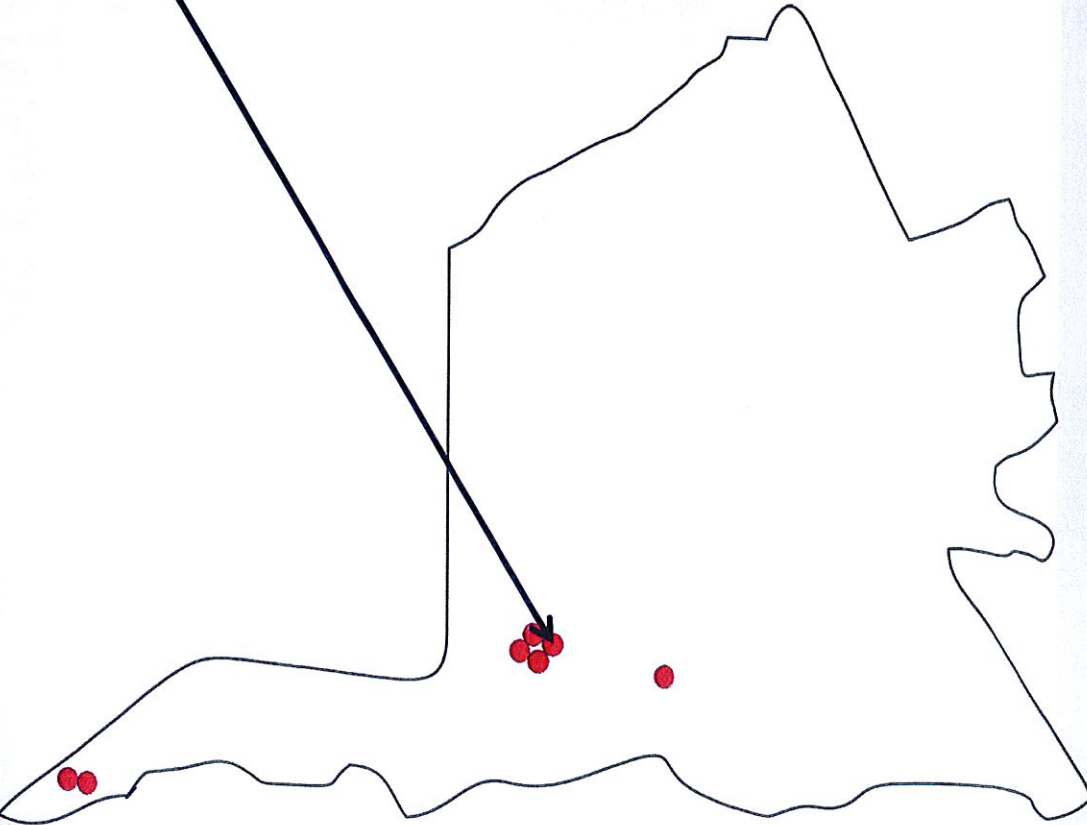
Contract #1502-1

Craig Avenue

Estimated Costs*	\$177,746.30
Actual Costs*	\$167,180.10

**Includes Engineering & CE&I Fees*



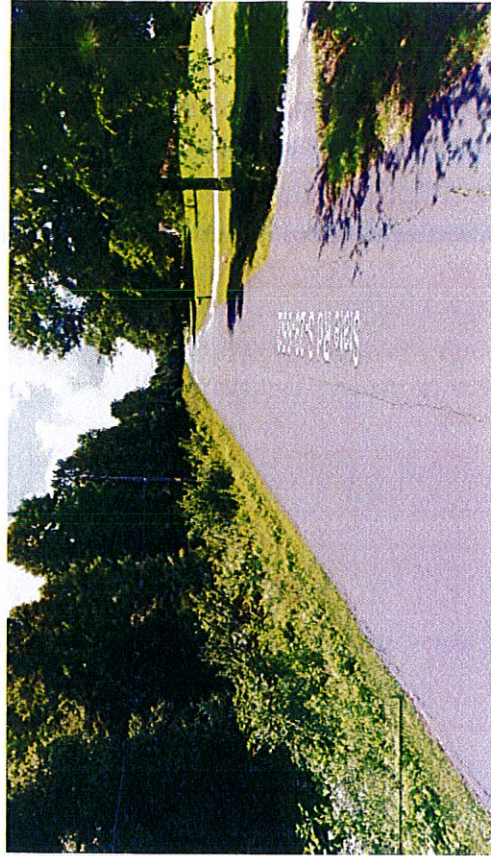


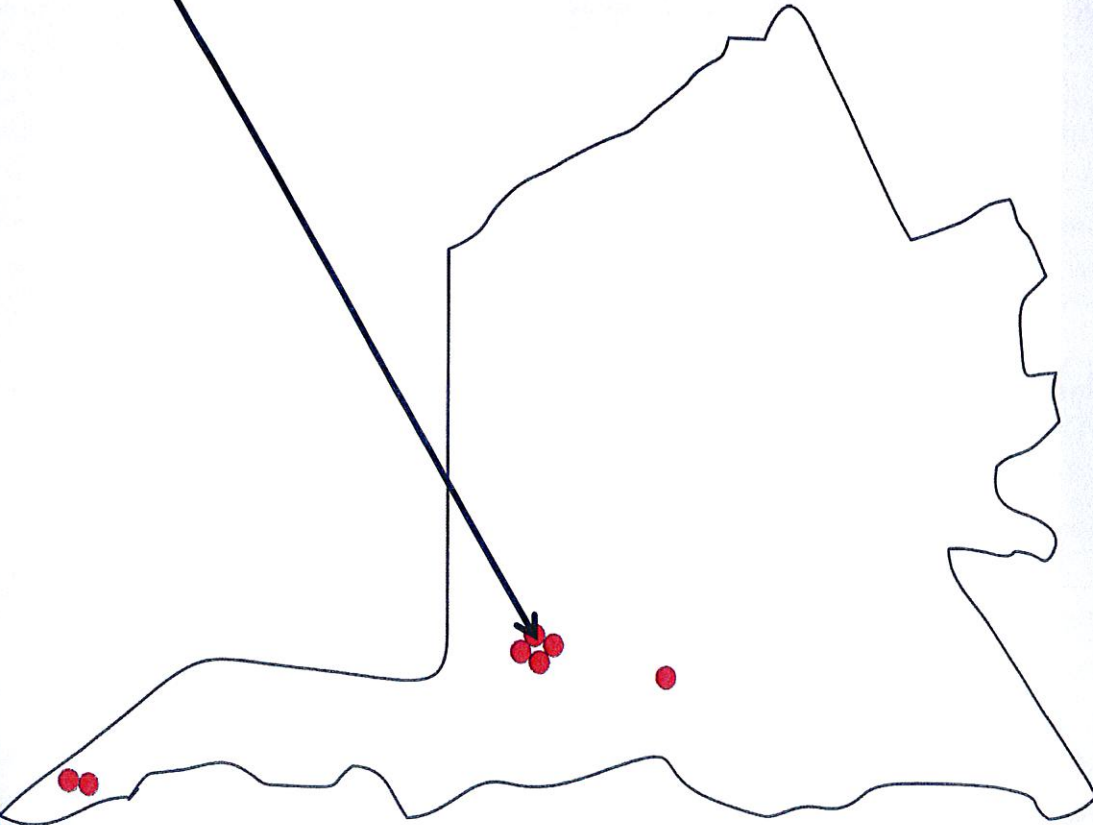
Contract #1502-1

Charles Avenue

Estimated Costs*	\$283,059.85
Actual Costs*	\$265,553.40

**Includes Engineering & CE&I Fees*





Contract #1502-1

Shamrock Avenue

Estimated Costs*	\$154,518.60
Actual Costs*	\$145,913.00

**Includes Engineering & CE&I Fees*



Henry Harris Road

Contract #1502-2

# Roads:	1
Bid Date:	**
Estimated Completion Date:	11/30/2015

*** Added on existing SCDOT contract*

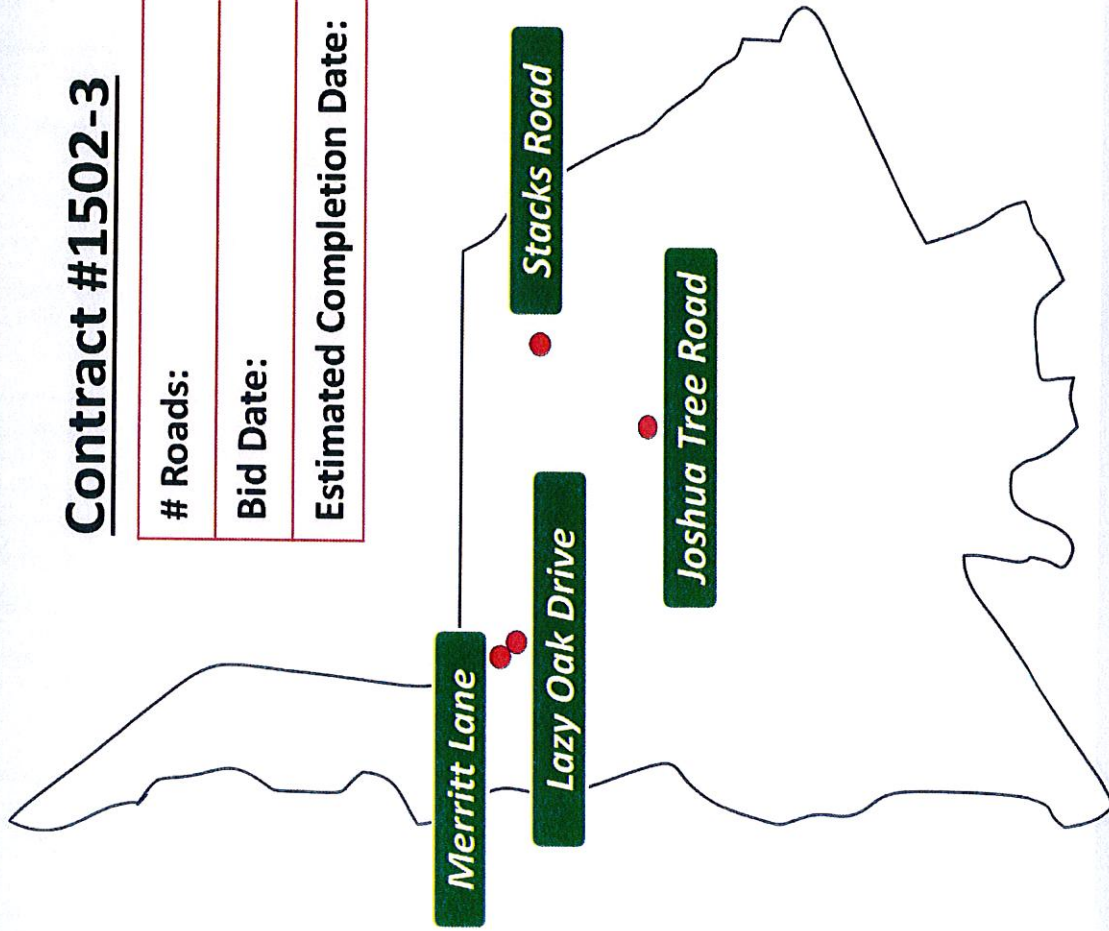
Estimated Costs*	\$750,017.98
Actual Costs*	\$750,017.98

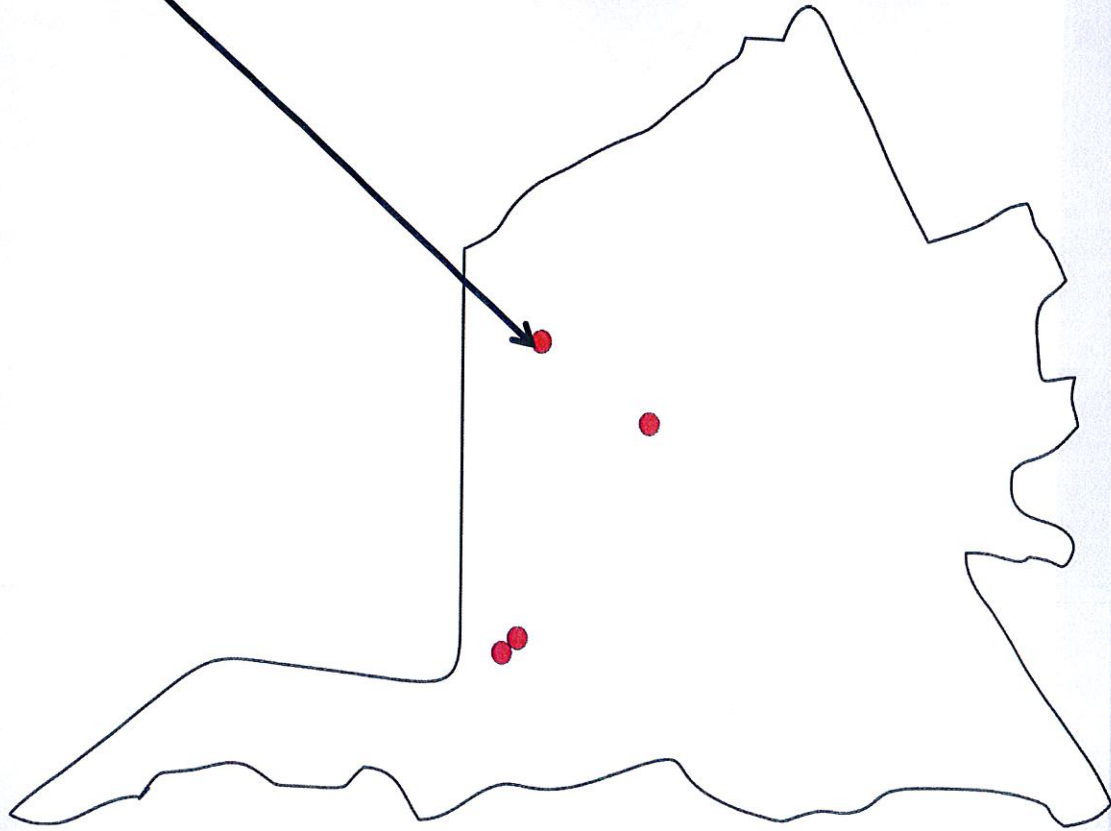
**Includes Engineering & CE&I Fees*



Contract #1502-3

# Roads:		4
Bid Date:		10/28/2015
Estimated Completion Date:		9/30/2016





Contract #1502-3

Stacks Road

Estimated Costs*	\$807,065.40
Actual Costs*	\$703,561.38

**Includes Engineering & CE&I Fees*

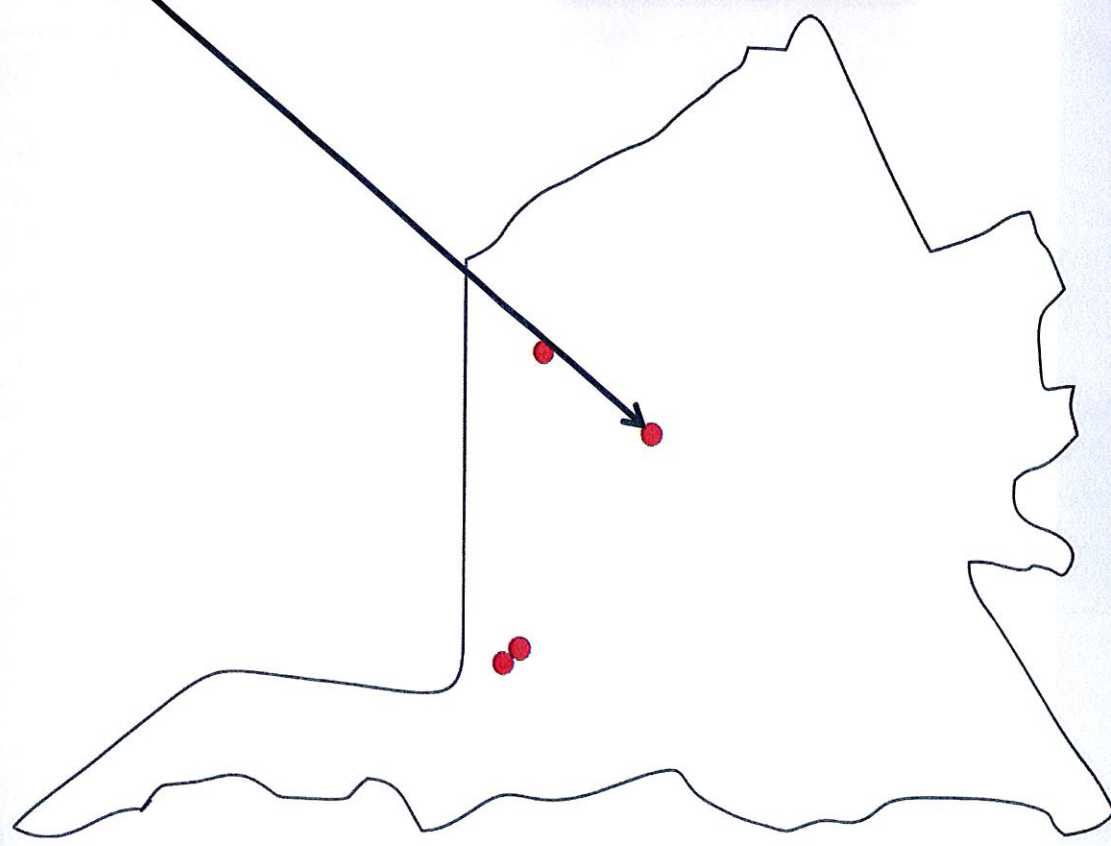


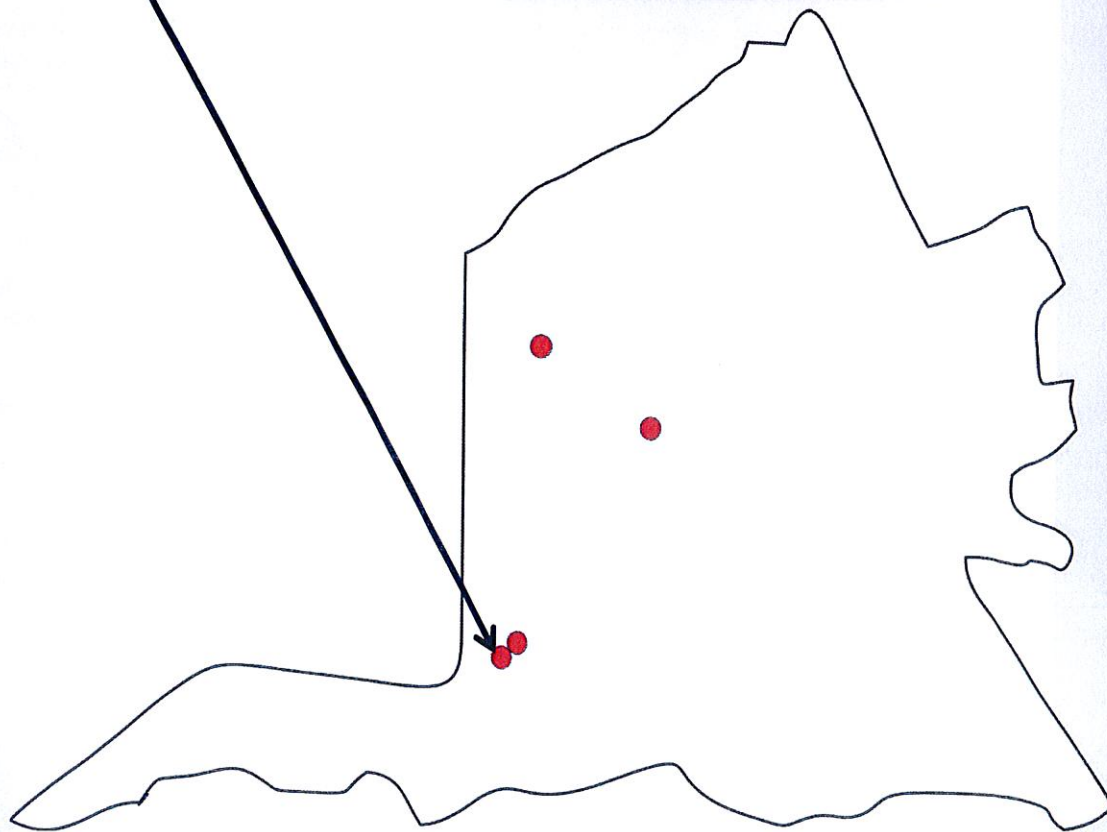
Contract #1502-3

Joshua Tree Road

Estimated Costs*	\$299,565.80
Actual Costs*	\$264,671.22

*Includes Engineering & CE&I Fees



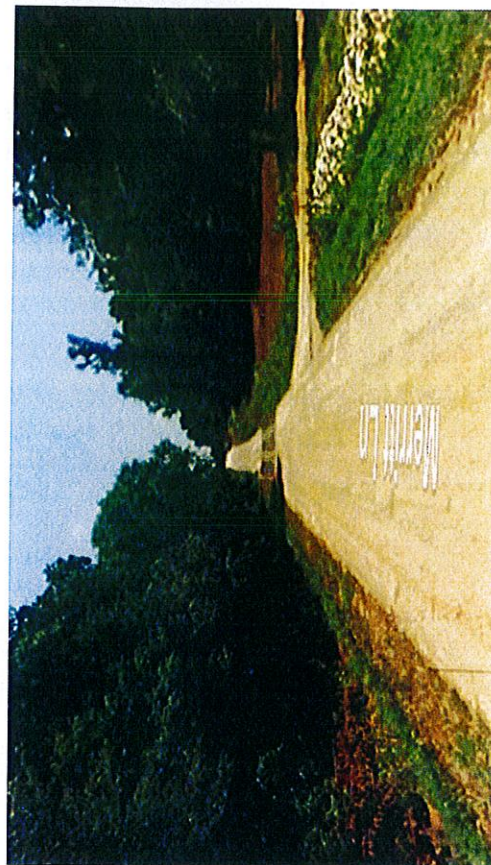


Contract #1502-3

Merritt Lane

Estimated Costs*	\$379,574.75
Actual Costs*	\$379,575.11

**Includes Engineering & CE&I Fees*

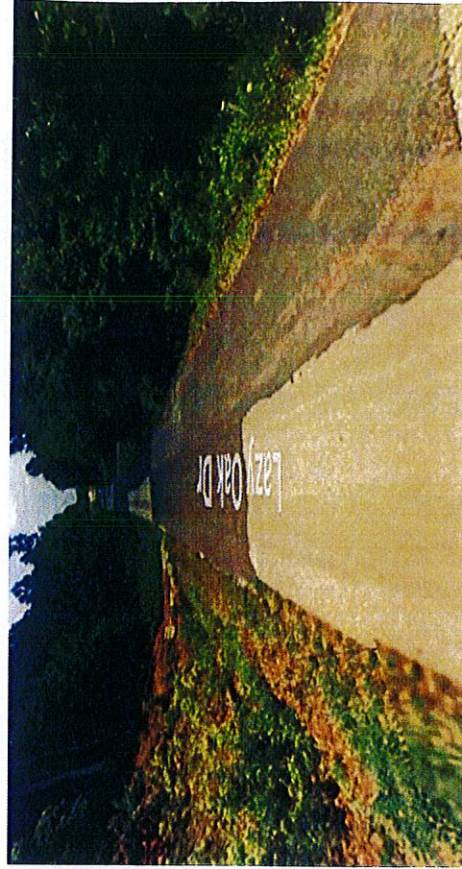


Contract #1502-3

Lazy Oak Drive

Estimated Costs*	\$463,360.30
Actual Costs*	\$427,898.38

**Includes Engineering & CE&I Fees*



Summary of Contracts

Project	Bid Date	Est. Completion	Estimated Costs*	Actual Costs*
Arrowood Avenue	9/2/2015	8/31/2016	\$ 236,104.20	\$ 222,065.66
Carmel Road	9/2/2015	8/31/2016	\$ 217,873.25	\$ 182,181.85
Kohut Road	9/2/2015	8/31/2016	\$ 86,773.25	\$ 72,221.50
Southwinds Drive	9/2/2015	8/31/2016	\$ 330,392.70	\$ 327,047.80
Craig Avenue	9/2/2015	8/31/2016	\$ 177,746.30	\$ 167,180.10
Charles Avenue	9/2/2015	8/31/2016	\$ 283,059.85	\$ 265,553.40
Shamrock Avenue	9/2/2015	8/31/2016	\$ 154,518.60	\$ 145,913.00
Henry Harris Road	**	11/30/2015	\$ 750,017.98	\$ 750,017.98
Stacks Road	10/28/2015	9/30/2016	\$ 807,065.40	\$ 703,561.38
Joshua Tree Road	10/28/2015	9/30/2016	\$ 299,565.80	\$ 264,671.22
Merritt Lane	10/28/2015	9/30/2016	\$ 379,574.75	\$ 379,575.11
Lazy Oak Drive	10/28/2015	9/30/2016	\$ 463,360.30	\$ 427,898.38
Total			\$ 4,186,052.38	\$ 3,907,887.38

*Includes Engineering & CE&I Fees

** Added on to existing SCDOT Contract

MEETINGS & FUNCTIONS – 2015

DAY/DATE	TIME	FUNCTION/LOCATION
Monday, November 9 th	6:30 p.m.	Regular Council Meeting
Tuesday, November 10 th	8:00 a.m.	Public Safety Committee / Conference Room
Tuesday, November 10 th	3:00 p.m.	I&R Committee / Chambers
Thursday, November 19 th	4:30 p.m.	Administration Committee / Chambers
Monday, November 23 rd	6:30 p.m.	Regular Council Meeting
Tuesday, December 8 th	11:30 a.m.	County Christmas Lunch – Springdale Recreation
Saturday, December 12 th	6:00 p.m.	Christmas Parade
Saturday, December 12 th	7:30 p.m.	Performing Arts Series Sawyer Brown - USCL Bundy Auditorium
Monday, December 14 th	6:30 p.m.	Regular Council Meeting
Tuesday, December 15 th	8:00 a.m.	Public Safety Committee / Conference Room
Tuesday, December 15 th	3:00 p.m.	I&R Committee / Chambers
Thursday, December 17 th	4:30 p.m.	Administration Committee / Chambers

LANCASTER COUNTY STANDING MEETINGS

3rd Thursday of each month 4:30 p.m. ... Administration Committee
 The Tuesday following 1st Council meeting (most of the time it is the 2nd Tuesday)
 8:00 a.m. Public Safety Committee
 The Tuesday following the 1st Council meeting (most of the time it is the 2nd Tuesday)
 3:00 p.m. ... Infrastructure and Regulation Committee
 1st Thursday of each month 7:00 p.m. ... Fire Commission, Covenant Street EOC Building
 2nd and 4th Tuesday of each month 9:00 a.m. ... Development Review Committee, Council Chambers
 2nd Tuesday of each month 6:30 p.m. ... Zoning Appeals Board, County Council Chambers
 2nd Tuesday of each month 6:30 p.m. ... Recreation Commission, 260 S. Plantation
 Last Tuesday of each month (Every other month – Beginning with Feb.) 6:00 p.m. Library Board, Carolinian Room, Library
 2nd Wed (Jan/March/May/July/Sept/Nov) 11:45 a.m. ... Health & Wellness Comm., various locations
 2nd Tuesday 6:00 p.m. ... Historical Commission, Library Conference Room
 3rd Thursday of each month 6:30 p.m. ... Community Relations Commission, County Council Chambers
 1st Thursday of each month 5:00 p.m. ... Planning Commission work session, County Council Chambers
 3rd Tuesday of each month 6:30 p.m. ... Planning Commission, County Council Chambers
 Quarterly (2nd Monday -March , June, Sept, Dec.) 6:30 p.m. Airport Commission, Airport Conference Room