

**SALUDA COUNTY
ORDINANCE NO. 07-21**

AN ORDINANCE AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BY AND BETWEEN SALUDA COUNTY, SOUTH CAROLINA (THE "COUNTY"), A COMPANY KNOWN TO THE COUNTY AS PROJECT LIGHT AND ITS SUBSIDIARY, ACTING FOR ITSELF, ONE OR MORE AFFILIATES, AND/OR OTHER PROJECT SPONSORS (COLLECTIVELY, THE "COMPANY"), PURSUANT TO WHICH THE COUNTY SHALL COVENANT TO ACCEPT CERTAIN NEGOTIATED FEES IN LIEU OF AD VALOREM TAXES WITH RESPECT TO THE ESTABLISHMENT AND/OR EXPANSION OF CERTAIN FACILITIES IN THE COUNTY (THE "PROJECT"); (2) THE BENEFITS OF A MULTI-COUNTY INDUSTRIAL OR BUSINESS PARK TO BE MADE AVAILABLE TO THE COMPANY AND THE PROJECT; (3) CERTAIN SPECIAL SOURCE REVENUE CREDITS IN CONNECTION WITH THE PROJECT; AND (4) OTHER MATTERS RELATING THERETO.

WHEREAS, Saluda County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), and particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, the "Special Source Act", and, together with the Negotiated FILOT Act, the "Act") and by Article VIII, Section 13(D) of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, but not limited to, negotiated FILOT payments made pursuant to the Negotiated FILOT Act, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County or improved or unimproved real estate and personal property including machinery and equipment used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, a company known to the County as Project Light, and its subsidiary, acting for themselves, one or more affiliates, and/or project sponsors (collectively, the "Company"), are considering the establishment and/or expansion of certain commercial and related facilities at

one or more locations in the County (the “Project”), and anticipates that, should its plans proceed as expected, it will invest, or caused to be invested, at least \$5,600,000, in the aggregate, in the Project; and

WHEREAS, based solely on information provided to the County by the Company, the County has determined that the Project will subserve the purposes of the Act and has made certain findings pertaining thereto in accordance with the Act; and

WHEREAS, in accordance with such findings and determinations, and in order to induce the Company to locate the Project in the County, the Council adopted a Resolution on May 10, 2021 (the “Inducement Resolution”), whereby the County agreed to provide the benefits of a negotiated FILOT, a multi-county industrial or business park, and Special Source Credits with respect to the Project; and

WHEREAS, the County and the Company have agreed to specific terms and conditions of such arrangements as set forth herein and in a Fee in Lieu of Tax and Incentive Agreement by and among the County and the Company with respect to the Project (the “Incentive Agreement”), the form of which is presented to this meeting, which Incentive Agreement is to be dated as of _____, 2021, or such other date as the parties thereto may agree; and

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

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

Section 1. As contemplated by Section 12-44-40(I) of the Negotiated FILOT Act, the findings and determinations set forth in the Inducement Resolution are hereby ratified and confirmed. In the event of any disparity or ambiguity between the terms and provisions of the Inducement Resolution and the terms and provisions of this Ordinance and the Incentive Agreement, the terms and provisions of this Ordinance and the Incentive Agreement shall control. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Incentive Agreement. Additionally, based on information provided to the County by the Company with respect to the Project, the County makes the following findings and determinations:

(a) The Project will constitute a “project” within the meaning of the Negotiated FILOT Act; and

(b) The Project, and the County’s actions herein, will subserve the purposes of the Negotiated FILOT Act; and

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

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

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

(f) The benefits of the Project are greater than the costs.

Section 2.

(a) The County hereby agrees to enter into the Incentive Agreement, which agreement shall be in the form of a fee agreement, pursuant to the Negotiated FILOT Act, whereby the Company will agree to satisfy, or cause to be satisfied, certain investment requirements with respect to the Project within certain prescribed time periods in accordance with the Negotiated FILOT Act and the County will agree to accept certain negotiated FILOT payments with respect to the Project (the "Negotiated FILOT"), as set forth in **Section 2(b)** hereof and in accordance with the terms of the Incentive Agreement.

(b)

(i) The Negotiated FILOT shall be determined using: (1) an assessment ratio of 6%; (2) the lowest millage rate allowed with respect to the Project pursuant to Section 12-44-50(a)(1)(d) of the Negotiated FILOT Act as set forth in greater detail in the Incentive Agreement; (3) the fair market value of such Negotiated FILOT Property as determined in accordance with Section 12-44-50(A)(1)(c) of the Negotiated FILOT Act; and (4) and such other terms and conditions as are or will be specified in the Incentive Agreement including, but not limited to, that the Company and the Project shall be entitled to the maximum benefits allowable under the Negotiated FILOT Act with respect to the disposal and replacement of Project property.

(ii) The Negotiated FILOT shall be calculated as provided in this **Section 2(b)** for all Negotiated FILOT Property placed in service as part of the Project during the Investment Period. For each annual increment of investment in Negotiated FILOT Property, the annual Negotiated FILOT payments shall be payable for a payment period of thirty (30) years. Accordingly, if such Negotiated FILOT Property is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a payment period of thirty (30) years up to an aggregate of thirty-five (35) years or, if the Investment Period is extended as set forth in the Incentive Agreement, up to an aggregate of forty (40) years.

Section 3. The County hereby represents and acknowledges that the property comprising the Land as of the original execution and delivery of the Incentive Agreement is

located within the boundaries of a Multi-County Park established pursuant to the Multi-County Park Act and Article VIII, Section 13(D) of the State Constitution. The County agrees to designate the Project as part of a Multi-County Park, if not already so designated, and agrees to maintain the Project within the boundaries of a Multi-County Park for the duration of the Incentive Agreement.

Section 4. As an additional incentive to induce the Company to undertake the Project, and as reimbursement for investment in Special Source Improvements and subject to the requirements of the Special Source Act, the County hereby agrees that each Credit Eligible Entity shall be entitled to receive, and the County shall, subject to the provisions of the Incentive Agreement, provide, certain Special Source Credits against certain FILOT Payments due from each such Credit Eligible Entity with respect to the Project for a period of ten (10) consecutive tax years, commencing with the tax year for which the initial Negotiated FILOT payment is due with respect to the Project, in an annual amount equal to fifty percent (50%) of each such FILOT payment, all as set forth in greater detail in the Incentive Agreement. In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Project by the Company and all other Co-Investors.

Section 5. The form, provisions, terms, and conditions of the Incentive Agreement presented to this meeting and filed with the Clerk to the Council are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated herein by reference as if the Incentive Agreement was set out in this Ordinance in its entirety. The Chairman of the Council is hereby authorized, empowered, and directed to execute the Incentive Agreement in the name and on behalf of the County; the Clerk to the Council is hereby authorized, empowered and directed to attest the same; and the Chairman of the Council is further authorized, empowered, and directed to deliver the Incentive Agreement to the Company. The Incentive Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the official or officials of the County executing the same, upon the advice of counsel, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Incentive Agreement now before this meeting.

Section 6. The Chairman of the Council, the County Director, and the Clerk to Council, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to the Incentive Agreement.

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

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

DONE IN A COUNTY COUCL MEETING DULY ASSEMBLED AND BY THE
AUTHORITY OF THE SAME this ___ day of _____, 2021.

SALUDA COUNTY COUNCIL

By: _____
Raymond G. Strawbridge, Chairman, County Council
Saluda County, South Carolina

[SEAL]

Attest:

By: _____
Regina H. Turner, Clerk to County Council
Saluda County, South Carolina

First Reading: May 10, 2021

Second Reading:

Public Hearing:

Third Reading:

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

by and between

SALUDA COUNTY, SOUTH CAROLINA,

and

PROJECT LIGHT

Dated as of July _____, 2021

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FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

THIS FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this “Agreement”) dated as of July_____, 2021, by and between SALUDA COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the “County”), and a company known to the County as PROJECT LIGHT, and its subsidiary (the “Subsidiary”), acting for themselves, one or more affiliates, and/or other project sponsors (collectively 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 the Code of Laws of South Carolina 1976, as amended (the “Code”), particularly Title 12, Chapter 44 of the Code (the “Negotiated FILOT Act”) and Title 4, Chapter 1 of the Code (the “Multi-County Park Act” or, as to Section 4-1-175 thereof, the “Special Source Act”, and, together with the Negotiated FILOT Act, the “Act”) and by Article VIII, Section 13(D) of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the “State”) will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax (“FILOT”) payments, including, but not limited to, negotiated FILOT payments made pursuant to the Negotiated FILOT Act, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments (“Special Source Credits”) to reimburse such investors for expenditures in connection with infrastructure serving the County or improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County (“Special Source Improvements”); and, (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, the Company and its Subsidiary have committed to establish and/or expand certain commercial and related facilities at one or more locations in the County (the “Project”), and anticipate that, should their plans proceed as expected, they will invest, or cause to be invested, collectively, at least \$5,600,000 in the Project by the end of the Compliance Period (as defined herein), as set forth in greater detail herein; and

WHEREAS, the County has determined that the Project will subserve the purposes of the Act and has made certain findings pertaining thereto in accordance with the Act; and

WHEREAS, in accordance with such findings and determinations and in order to induce the Company and its Subsidiary to locate the Project in the County, the Council adopted a

Resolution on May 10, 2021 (the “Inducement Resolution”), whereby the County agreed to provide the benefits of a negotiated FILOT, a multi-county industrial or business park, and Special Source Credits with respect to the Project, the terms of all of which are set forth in greater detail in this Agreement; and

WHEREAS, the County has determined that it is in the best interests of the County to enter into this Agreement with the Company and its Subsidiary, subject to the terms and conditions set forth herein, and, by Ordinance No. 07-21 enacted by the Council on _____, 2021, approved the form, terms and conditions of this Agreement and ratified all prior actions taken with respect to the Project.

NOW, THEREFORE, in consideration of the premises, the mutual covenants contained herein, the above recitals which are incorporated herein by reference, and the potential investment to be made, or caused to be made, by the Company and its Subsidiary which contribute to the tax base and the economic welfare of the County, the respective representations and agreements hereinafter contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Company and its Subsidiary agree as follows:

ARTICLE II

DEFINITIONS

Section 9. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings unless the context or use indicates another or different meaning or intent.

“*Act*” shall mean, collectively, the Negotiated FILOT Act and the Multi-County Park Act, including, without limitation, the Special Source Act.

“*Administration Expenses*” shall mean the reasonable and necessary expenses incurred by the County in the negotiation and approval of the terms and provisions of this Agreement and in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions, including reasonable and necessary attorney’s fees at the hourly rates which are standard for the applicable legal services to the County, but excluding any expenses incurred by the County in defending either challenges to the incentives provided herein by third parties or suits brought by the Company or its Subsidiary under **Section 8.04** hereof; provided, however, that no such expense shall be considered an Administration Expense unless the Company, or other Co-Investor required to pay such expense hereunder, shall have first agreed, prior to the County incurring such expense, as to the maximum amount thereof or as to the basis for which such expenses will be incurred, and the County shall have furnished to the Company, or its Subsidiary, as the case may be, a statement including a general explanation of such expenses incurred.

“*Affiliate*” shall mean any corporation, limited liability company, partnership or other Person or entity which now or hereafter owns all or part of the Company or its Subsidiary, as the case may be, or which is now or hereafter owned in whole or in part by the Company or its Subsidiary, as the case may be, or by any partner, shareholder or owner of the Company or its Subsidiary, as the case may be, and shall also include any subsidiary, affiliate or other Person, individual, or entity who now or hereafter bears a relationship to the Company or its Subsidiary, as the case may be, as described in Section 267(b) of the Internal Revenue Code.

“*Agreement*” shall mean this Fee in Lieu of Tax and Incentive Agreement as originally executed and from time to time supplemented or amended as permitted herein.

“*Code*” shall mean the Code of Laws of South Carolina 1976, as amended, unless the context clearly requires otherwise.

“*Co-Investor*” shall mean the Company and its Subsidiary within the meaning of Sections 12-44-30(19) and (20) of the Negotiated FILOT Act and approved by the County. As of the date of the original execution and delivery of this Agreement, the Company and its Subsidiary are the only Co-Investors.

“*Company*” shall mean a company known to the County as Project Light, and its Subsidiary, and any surviving, resulting, or transferee entity in any merger, consolidation or transfer of assets permitted under **Sections 4.05** or **6.01** hereof or any other assignee or transferee hereunder which is designated by the Company and approved by the County.

“*Compliance Period*” shall mean the period commencing with the first day that Negotiated FILOT Property is purchased or acquired, whether before or after the date of this Agreement, and ending on the fifth anniversary of the end of the Property Tax Year in which the initial Negotiated FILOT Property comprising all or a portion of the Project is placed in service, all as specified in Section 12-44-30(13) of the Negotiated FILOT Act. It is presently anticipated, but not required, that the initial Negotiated FILOT Property comprising all or a portion of the Project will be placed in service in the Property Tax Year ending on December 31, 2021, and, in such event, the Compliance Period will end on December 31, 2026.

“*County*” shall mean Saluda County, South Carolina, a body politic and corporate and a political subdivision of the State, and its successors and assigns.

“*Council*” shall mean the governing body of the County and its successors.

“*Credit Eligible Entity*” shall have the meaning specified in **Section 3.02(a)** hereof.

“*Deficiency Payment*” shall have the meaning specified in **Section 5.01(e)** hereof.

“*Department of Revenue*” shall mean the South Carolina Department of Revenue and any successor thereof.

“*Event of Default*” shall mean an Event of Default, as set forth in **Section 8.01** hereof.

“*Existing Property*” shall mean property which will not qualify for the Negotiated FILOT pursuant to Section 12-44-110 of the Negotiated FILOT Act, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to commencement of the Investment Period and property included in the Project as part of the repair, alteration, or modification of property which is not economic development property; provided, however, that Existing Property shall not include: (a) property acquired or constructed by or on behalf of the Company or its Subsidiary during the Investment Period which has not been placed in service in this State prior to the commencement of the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property, or property which has been placed in service in the State pursuant to an inducement agreement or other preliminary approval by the County, including the Inducement Resolution, prior to execution of this Agreement pursuant to Section 12-44-40(E) of the Negotiated FILOT Act, which property shall qualify as Negotiated FILOT Property; (b) property purchased by or on behalf of the Company or its Subsidiary during the Investment Period in a transaction other than between any of the entities specified in Section 267(b) of the Internal Revenue Code, as defined under Chapter 6 of Title 12 of the Code as of the time of the transfer, to the extent that the Company or its Subsidiary, in the aggregate, invest at least an additional \$45,000,000 in the Project, exclusive of the property identified in this subsection (b); or, (c) modifications which constitute an expansion of the real property or real property improvement portions of Existing Property. As used in the immediately preceding sentence, expansion shall include all modifications, alterations, additions, and improvements that are considered necessary, suitable, or useful by the Company, including, but not limited to modifications, alterations, additions and improvements that expand the Company’s ability to provide services to its members or customers, or increase the efficiency of providing such services.

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

“*FILOT Payment*” or “*FILOT Payments*” shall mean the FILOT payments to be made by the Company or its Subsidiary with respect to the Project, whether made as Negotiated FILOT Payments pursuant to **Section 5.01** hereof or as FILOT payments made pursuant to the Multi-County Park Act.

“*Investment Period*” shall initially mean a period equal to the Compliance Period; provided, however, that, if the Minimum Statutory Investment Requirement is satisfied by the end of the Compliance Period, the Investment Period shall be automatically extended, without further action or proceedings of the County or the Council, by five (5) years beyond the Compliance Period to end on the tenth (10th) anniversary of the end of the Property Tax Year in which the initial Negotiated FILOT Property comprising all or a portion of the Project is placed in service, all in accordance with Section 12-44-30(13) of the Negotiated FILOT Act. In the event that the initial Negotiated FILOT Property comprising all or a portion of the Project is, as presently anticipated, placed in service in the Property Tax Year ending on December 31, 2021, upon any such extension, the Investment Period will end on December 31, 2031.

“*Land*” shall mean the land, that has been or will be acquired, whether in fee simple or by easement, upon which the Project has been or will be constructed and equipped, as described on **Exhibit A** attached hereto, as **Exhibit A** may be revised, modified, or supplemented from time to time in accordance with the provisions hereof.

“*Minimum Contractual Investment Requirement*” shall mean investment in Negotiated FILOT Property, within the period commencing on the first day that Negotiated FILOT Property is purchased or acquired, whether before or after the date of this Agreement, and ending at the end of the Investment Period, by the Company and all Co-Investors, in the aggregate, of at least \$5,600,000 (without regard to depreciation or other diminution in value), as reported by the Company and any Co-Investors, if any, on their respective PT-300S form or comparable forms filed with the Department of Revenue.

“*Minimum Statutory Investment Requirement*” shall mean investment in the Project of not less than \$2,500,000 within the Compliance Period, by both the Company and its Subsidiary, as set forth in Section 12-44-30(14) of the Negotiated FILOT Act, which investment amount shall be calculated in accordance with, and subject to, Section 12-44-130 of the Negotiated FILOT Act.

“*Multi-County Park*” shall mean the multi-county industrial or business park established pursuant to the Multi-County Park Act and the Multi-County Park Agreement, and any multi-county industrial or business park which now or hereafter includes the Project and which is designated by the County as such pursuant to any agreement, which supersedes or replaces the initial Multi-County Park Agreement.

“*Multi-County Park Act*” shall mean Title 4, Chapter 1 of the Code.

“*Multi-County Park Agreement*” shall mean that certain Agreement for Development of a Joint County Industrial and Business Park (Project Light) (Saluda County/Aiken County Park) between the County and Aiken County, South Carolina dated as of _____, 2021, as supplemented, modified or amended, and, as such agreement may be further supplemented, modified, amended, or replaced from time to time.

“*Negotiated FILOT*” or “*Negotiated FILOT Payments*” shall mean the FILOT payments due pursuant to **Section 5.01** hereof with respect to that portion of the Project consisting of Negotiated FILOT Property qualifying under the Negotiated FILOT Act for the negotiated assessment ratio and millage rate or rates described in **Section 5.01(b)(ii)** hereof.

“*Negotiated FILOT Act*” shall mean Title 12, Chapter 44 of the Code.

“*Negotiated FILOT Property*” shall mean all Project property qualifying for the Negotiated FILOT as “economic development property” within the meaning of Section 12-44-30(6) of the Negotiated FILOT Act, including, without limitation, each item of real and tangible personal property comprising the Project which is placed in service during the Investment Period and which meets the requirements of Sections 12-44-30(6) and 12-44-40(C) of the Negotiated

FILOT Act, together with all Replacement Property, but excluding any Non-Qualifying Property, and any Released Property.

“Non-Qualifying Property” shall mean that portion of the real and personal property located on the Land, which does not qualify as Negotiated FILOT Property, such Non-Qualifying Property to include: (i) Existing Property; (ii) except as to Replacement Property, property which the Company or its Subsidiary places in service after the end of the Investment Period; and, (iii) any other property which fails or ceases to qualify for Negotiated FILOT Payments under the Negotiated FILOT Act or under this Agreement, including without limitation property as to which the Company or its Subsidiary has terminated the Negotiated FILOT pursuant to **Section 4.01(d)(iii)** hereof.

“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: (i) all buildings, structures, fixtures and other real property improvements now or hereafter constructed on the Land; (ii) all utility and broadband property and improvements including, but not limited to improvements or modifications to property already existing on the Land which have become obsolete or are being updated or improved by the Company, machinery, equipment, furnishings and other personal property now or hereafter acquired by or on behalf of the Company or its Subsidiary for use on or about the Land; and, (iii) any Replacement Property, including property intended to replace property already existing on the Land which has become obsolete or is being updated or improved by the Company; provided, however, except as to Replacement Property, the term Project shall be deemed to include any such real property improvements and personal property, whether now existing or hereafter constructed, improved, acquired or equipped, only to the extent placed in service within a period commencing on January 1, 2021 and ending at the end of the Investment Period.

“Property Tax Year” shall mean the annual period which is equal to the fiscal year of the Company, or its Subsidiary, as the case may be, *i.e.*, with respect to the Company and its Subsidiary, the annual period ending on December 31 of each year.

“Released Property” shall include property which was initially Negotiated FILOT Property but which is scrapped, sold, disposed of, or released from this Agreement by the Company or its Subsidiary pursuant to **Section 4.01(d)** hereof and Section 12-44-50(B) of the Negotiated FILOT Act, any portion of the Negotiated FILOT Property constituting infrastructure which the Company or its Subsidiary dedicates to the public use within the meaning of Section 12-6-3420(C) of the Code, or property which is damaged, destroyed, or taken by process of eminent domain and not restored or replaced.

“Replacement Property” shall mean all property placed in service on the Land in substitution of, or as replacement for, any Negotiated FILOT Property which becomes Released Property, regardless of whether such property serves the same function as the property it replaces and regardless of whether more than one piece of such property replaces a single piece of the

Negotiated FILOT Property, to the maximum extent that such property may be included in the calculation of the Negotiated FILOT pursuant to **Section 5.01(d)** hereof and Section 12-44-60 of the Negotiated FILOT Act.

“Special Source Act” shall mean Section 4-1-175 of the Code.

“Special Source Credits” shall mean the special source revenue credits described in **Section 3.02** hereof.

“Special Source Improvements” shall mean to the extent paid for by the Company or its Subsidiary, any infrastructure serving the economic development of the County and any improved or unimproved real property, buildings, structural components of buildings, fixtures, or other real property improvements, and personal property, including machinery and equipment, used in the operation of the Company or its Subsidiary in order to enhance the economic development of the County, all as set forth in the Special Source Act. For purposes of this Agreement, Special Source Improvements shall initially be deemed to include, without limitation, all roadwork, water, sewer, drainage, power and utility facilities serving the Project, as well as the Land, the buildings, fixtures and other real property improvements on the Land, and the utility property, broadband property, machinery and equipment and other personal property comprising the Project, and any additions or improvements to any of the foregoing, whether paid for by the Company or its Subsidiary directly or through lease payments.

“Sponsor” and *“Sponsor Affiliate”* shall mean an entity whose investment with respect to the Project will qualify for the Negotiated FILOT pursuant to **Section 6.02** hereof and Sections 12-44-30(19) or (20) and Section 12-44-130 of the Negotiated FILOT Act if the statutory investment requirements are met. As of the original execution and delivery of this Agreement, the only Sponsors are the Company and its Subsidiary, and there are no Sponsor Affiliates.

“State” shall mean the State of South Carolina.

“Subsidiary” shall mean the Company’s subsidiary, and any surviving, resulting, or transferee entity in any merger, consolidation or transfer of assets permitted under **Sections 4.05** or **6.01** hereof or any other assignee or transferee hereunder which is designated by the Subsidiary and approved by the County.

“Term” shall mean the term of this Agreement, as set forth in **Section 7.01** hereof.

“Transfer Provisions” shall mean the provisions of Section 12-44-120 of the Negotiated FILOT Act.

Section 10. References to Agreement. The words “hereof”, “herein”, “hereunder”, and other words of similar import refer to this Agreement as a whole.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Section 11. Representations and Warranties by the County. The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

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

(b) Solely on the basis of information supplied to it by the Company and the Subsidiary, the County has determined the Project will subserve the purposes of the Act and has made all other findings of fact required by the Act in connection with the undertaking of the arrangements set forth herein.

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

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

Section 12. Representations and Warranties by the Company and its Subsidiary. The Company and its Subsidiary make the following representations and warranties as the basis for the undertakings on their part herein contained:

(a) The Company and its Subsidiary are each corporations validly existing and in good standing under the laws of the State of South Carolina, have all requisite

power to enter into this Agreement and to carry out their obligations hereunder, and by proper action have been duly authorized to execute and deliver this Agreement. Both the Company and its Subsidiary have a fiscal year end of December 31, and the Company and its Subsidiary will notify the County of any changes in their respective fiscal year.

(b) The Company intends to operate the Project as facilities primarily to provide services to its members. The Subsidiary intends to operate the Project as facilities to provide other services to its members.

(c) The agreements with the County with respect to the Negotiated FILOT, the Special Source Credits, and the Multi-County Park, as set forth herein, were factors in inducing the Company and its Subsidiary to locate the Project within the County and the State.

(d) To the best knowledge of the Company and the Subsidiary, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the Company or the Subsidiary, as the case may be, in any court or before any governmental authority or arbitration board or tribunal, which would materially adversely affect this Agreement or which would, in any way, adversely affect the validity or enforceability of this Agreement, or the transactions contemplated hereby.

(e) The Company and the Subsidiary have retained legal counsel to advise, or have had a reasonable opportunity to consult legal counsel to advise, of their eligibility for the Negotiated FILOT and other incentives granted by this Agreement and have not relied on the County, its officials, employees or legal representatives with respect to any question of eligibility or applicability of the Negotiated FILOT and other incentives granted by this Agreement.

ARTICLE IV

COVENANTS OF THE COUNTY

Section 13. Agreement to Accept Negotiated FILOT Payments. The County hereby agrees to accept Negotiated FILOT Payments in accordance with the provisions of **Section 5.01** hereof in lieu of *ad valorem* taxes with respect to that portion of the Project consisting of Negotiated FILOT Property until this Agreement expires or is sooner terminated.

Section 14. Special Source Credits.

(a) As reimbursement for investment in Special Source Improvements and subject to the requirements of the Special Source Act, the County hereby agrees that the Company and its Subsidiary (each, a “Credit Eligible Entity”) shall be entitled to receive, and the County shall provide, Special Source Credits against each FILOT Payment due from each such Credit Eligible Entity with respect to the Project for a period of ten (10) consecutive tax years, commencing with the initial tax year for which a Negotiated

FILOT Payment is due with respect to the Project, in an annual amount equal to fifty percent (50%) of each such FILOT Payment. In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Project by the Company and its Subsidiary.

(b) The Special Source Credits to which a Credit Eligible Entity is entitled for each tax year of the period set forth in **Section 3.02(a)** hereof shall be reflected by the County on each bill sent by the County to such Credit Eligible Entity for each FILOT Payment due from such Credit Eligible Entity with respect to each such tax year, by reducing the total original FILOT Payment amount otherwise due from such Credit Eligible Entity for such tax year by the amount of Special Source Credits to which such Credit Eligible Entity is entitled for such tax year.

(c) To the extent required by, and as set forth in, Section 4-29-68(A)(2)(ii) of the Code, if a Credit Eligible Entity claims Special Source Credits as reimbursement for investment in personal property, including utility property, broadband property, and machinery and equipment, and such property is removed from the Project during the Term of this Agreement, the amount of the FILOT Payments due from such Credit Eligible Entity with respect to such personal property for the year in which the personal property was removed from the Project shall also be due for the two (2) years following such removal.

Section 15. Multi-County Park Designation. The County hereby represents and acknowledges that the property comprising the Land as of the original execution and delivery of this Agreement is located within the boundaries of the Multi-County Park. The County agrees to designate the Project as part of a Multi-County Park, if not already so designated, and agrees to use its best, commercially reasonable efforts to maintain the Project within the boundaries of the Multi-County Park for the duration of this Agreement pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13(D) of the State Constitution. The County hereby further agrees to take such further actions as may be necessary to effect any such initial or continued Multi-County Park designation under and pursuant to the Multi-County Park Agreement.

Section 16. Commensurate Benefits. The parties hereto acknowledge the intent of this Agreement, in part, is to afford the Company and its Subsidiary the benefits specified in this Article III in consideration of the Company and its Subsidiary's decision to locate the Project within the County, and this Agreement has been entered into in reliance upon the enactment of the Act and the County's compliance with the requirements thereof. In the event that a court of competent jurisdiction holds that the Act is, in whole or in part, unconstitutional or this Agreement, the Multi-County Park Agreement, or agreements similar in nature to this Agreement or the Multi-County Park Agreement are invalid or unenforceable in any material respect, or should the Company or its Subsidiary determine there is a reasonable doubt as to the validity or enforceability of this Agreement or the Multi-County Park Agreement in any material

respect, then, at the request of the Company or its Subsidiary, the County agrees to use its best efforts, and to take such other steps as may be necessary, to extend to the Company and its Subsidiary the intended benefits of this Agreement, including, but not limited to, the Negotiated FILOT and the Special Source Credits and agrees, if requested by the Company or its Subsidiary, to enter into a lease purchase agreement with the Company and its Subsidiary pursuant to Section 12-44-160 of the Negotiated FILOT Act and Title 4, Chapter 29 or Title 4, Chapter 12 of the Code, as applicable, the terms of which shall be mutually agreeable to the County and the Company. In furtherance of this covenant, the County also agrees that, in the event that, for any reason, the Multi-County Park is declared by a court of competent jurisdiction to be invalid or unenforceable in whole or in part, the Company and the County express their intentions that tax or FILOT Payments be reformed so as to best afford the Company and its Subsidiary benefits commensurate with, but not in excess of, those intended under this Agreement, including, but not limited to, the Special Source Credits, as then permitted by law, including, without limitation, any benefits afforded under Title 12, Chapter 6, Title 4, Chapter 1 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law.

ARTICLE V

COVENANTS OF THE COMPANY

Section 17. Investment in the Project.

(a) The Company and its Subsidiary hereby agree to acquire, construct, equip, or improve, or cause to be acquired, constructed, equipped, or improved, the Project, as the same shall be determined from time to time by the Company and its Subsidiary in their sole discretion. As required by Section 12-44-30(2) of the Negotiated FILOT Act, at least a portion of the Negotiated FILOT Property comprising the Project shall be placed in service no later than the end of the Property Tax Year which is three (3) years from the year in which this Agreement is entered, *i.e.*, the Property Tax Year ending on December 31, 2024.

(b) Notwithstanding anything herein to the contrary, and to the maximum extent permitted by law, investment in Negotiated FILOT Property in the County at the Project by the Subsidiary and any and all other permitted Co-Investors shall together with investment in Negotiated FILOT Property in the County at the Project by the Company, count toward achievement of the Minimum Statutory Investment Requirement. Aggregate investment shall generally be determined by reference to the property tax returns of the Company and its Subsidiary filed with respect to the Project, including without limitation, each such entity's assets listed on a SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act, without regard to depreciation or other diminution in value.

(c) Subject to the provisions of **Sections 4.05** and **6.01** hereof, the Company and its Subsidiary shall, retain title to, or other property rights in, its respective portion of the Project throughout the Term of this Agreement, and the Company and its Subsidiary

shall have full right to mortgage, lease, or encumber all or any portion of the Project, including without limitation, in connection with any financing transactions, all without the consent of the County.

(d) The Company and its Subsidiary shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(1) The Company and its Subsidiary may, at their own expense, add to the Project all such real and personal property as the Company, or its Subsidiary, in their discretion deem useful or desirable, including, without limitation, Negotiated FILOT Property, without any limit as to the amount thereof.

(2) Subject to the provisions of **Section 5.01(f)(iii)** hereof, in any instance when the Company or its Subsidiary, in their discretion, determine any property included in the Project, including without limitation, any Negotiated FILOT Property, has become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, the Company or its Subsidiary may remove such property 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.

(3) The Company and its Subsidiary may, at any time and in their discretion by written notice to the County, remove any Project property including, but not limited to, Negotiated FILOT Property, real or personal, from the Project or from the provisions of this Agreement including, but not limited to, the Negotiated FILOT arrangement set forth in this Agreement and retain such property for use as part of its operations in the County, whether or not such property remains as part of the Project, and effective as of the date of any such removal, such property will be subject to *ad valorem* taxes, or to FILOT payments pursuant to the Multi-County Park Act, as the case may be; provided, that, any such notice requirement may be satisfied by property tax returns filed with respect to the Project and any other such property, including without limitation, such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act, and in such event, any such removal reflected by any such written notice shall be deemed to be effective as of the date of such removal.

(4) If the Company or its Subsidiary sell, lease, or otherwise dispose of any portion of, or adds to, the Land, or removes any portion of the Land from the Project while retaining such property for use as part of its operations in the County, all as permitted herein, the Company or its Subsidiary shall deliver to the County a revised **Exhibit A** to this Agreement or supplements to **Exhibit A** reflecting any such addition, disposal or

removal and such revised or supplemented **Exhibit A** shall, effective as of the date of any such transaction, addition, disposal, or removal, be automatically made a part of this Agreement without further action or proceedings by the County or the Council; provided, that any requirement to provide such schedules or supplements to the County may be satisfied by property tax returns filed with respect to the Project and any other such property, including without limitation, such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Negotiated FILOT Act, and in such event, any such addition, disposal, or removal reflected by any such return, shall be automatically deemed effective as of the date of any such addition, disposal, or removal.

(5) All Negotiated FILOT Property sold or otherwise disposed of under this Section shall be deemed Released Property for purposes of this Agreement.

Section 18. Failure to Satisfy Minimum Contractual Investment Requirement

If the Minimum Contractual Investment Requirement is not satisfied by the end of the Compliance Period, each of the following subsections (a) – (c) shall apply:

(a) The Company and each other Sponsor or Sponsor Affiliate shall continue to be eligible for the Negotiated FILOT described in **Section 5.01** hereof so long as the Minimum Statutory Investment Requirement is nevertheless satisfied by the end of the Compliance Period.

(b) The amount of Special Source Credits to be received by each Credit Eligible Entity shall be reduced proportionately for each tax year for which each such Credit Eligible Entity is entitled to receive Special Source Credits under **Section 3.02(a)** hereof (*i.e.*, each tax year for which a Negotiated FILOT Payment has been, or will be, due to be paid without penalty with respect to the Project on or before the January 15 immediately following the end of the Compliance Period), taking into account the highest investment in Negotiated FILOT Property within the period set forth in the Minimum Contractual Investment Requirement at any time during such period (the “Actual Investment”), as compared to the Minimum Contractual Investment Requirement, all as further detailed and illustrated in the formula and examples set forth below:

Formula:

1.
$$\frac{\text{Actual Investment}}{\$5,600,000} \times 50\% = \text{Investment Satisfaction Percentage [ISP]}$$
2. In the event that the Actual Investment by the Company and each other Co-Investor, in the aggregate, do not meet the Minimum Contractual Investment

Requirement by the end of the Investment Period, the Special Source Credits calculated under **Section 3.02(a)** will, for purpose of such calculation, substitute the Investment Satisfaction Percentage for 50%.

(c) Reserved.

Section 19. Payment of Administration Expenses. The Company and its Subsidiary will reimburse, or cause reimbursement of, the County from time to time for the County's Administration Expenses incurred in the fulfillment of its obligations hereunder, or in the negotiation or implementation of this Agreement's terms and provisions, with respect to the Company or its Subsidiary, respectively, promptly upon written request therefor, but in no event later than ninety (90) days after receiving written notice from the County specifying the general nature of such expense and requesting the payment of the same. The County acknowledges that it imposes no charges in the nature of impact fees or recurring fees in connection with the Project or the incentives authorized by this Agreement, and, aside from the attorneys' fees set forth below, the County anticipates no out of pocket expenses in connection with this Agreement and the transactions authorized hereby. The parties hereto understand that the County has incurred, and will incur, legal fees and other expenses for review of the Inducement Resolution, this Agreement, the Multi-County Park Agreement and all resolutions, ordinances and other documentation related thereto in an amount not to exceed \$5,000, and the Company and its Subsidiary agree to reimburse the County for the same. The \$5,000 limit in the immediately preceding sentence shall only apply up through the execution of this Agreement by the County, and County Council passing the Saluda County Ordinance authorizing the County to enter into this Agreement.

Section 20. Use of the Project for Lawful Activities. During the Term of this Agreement, the Company and its Subsidiary may use the Project as it deems fit for any lawful purpose.

Section 21. Maintenance of Existence. Except in the event the resulting, surviving or transferee entity is the Company or its Subsidiary, as to which such consolidation, merger, or transfer, the County hereby preapproves and consents, unless the County shall provide prior consent or subsequent ratification otherwise, which consent or ratification shall not be unreasonably withheld, conditioned, or delayed, the Company or its Subsidiary, as applicable, covenants that it will maintain its separate existence and will not dissolve or consolidate with, merge into or transfer, or otherwise dispose of substantially all of its property to any other entity or permit one or more other entities to consolidate with or merge into it or purchase substantially all of its property unless:

(a) the Company or its Subsidiary, as applicable, shall be the continuing business entity, or the business entity formed by such consolidation or into which the Company or Subsidiary is merged or the entity which acquires by conveyance or transfer all or substantially all of the Company's or the Subsidiary's assets, as applicable, shall: (i) be an entity organized and existing under the laws of the United States of America or any

state thereof or the District of Columbia and qualified to do business in the State; (ii) have a net worth equal to or greater than the net worth of the Company or its Subsidiary, as applicable, immediately preceding the date of such merger, consolidation or transfer; and, (iii) expressly and unconditionally assume, by written agreement supplemental hereto and acceptable to the County as to form and content, in its reasonable discretion, every payment obligation of the Company or its Subsidiary, as applicable, herein and the performance of every covenant of this Agreement on the part of the Company or its Subsidiary, as applicable, to be performed or observed; and

(b) immediately after giving effect to such transaction, no Event of Default, and no event, which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and

(c) the Company and its Subsidiary, as appropriate, shall have delivered to the County: (i) a certificate of a duly authorized officer of the Company or its Subsidiary, as applicable, accompanied by financial statements of the surviving company (if other than the Company or its Subsidiary) showing compliance with the net worth requirements specified in paragraph (a) above; and, (ii) an opinion of counsel for the Company or its Subsidiary, and/or counsel to the transferee company, each stating that such consolidation, merger, conveyance or transfer and such supplement to this Agreement comply with this Section and that all conditions precedent herein provided for relating to such transaction have been complied with.

Upon any consolidation or merger or any conveyance or transfer of all or substantially all of the Company's or the Subsidiary's assets in accordance with this **Section 4.04**, the successor entity formed by such consolidation or into which the Company or Subsidiary is merged or to which such conveyance or transfer is made, shall succeed to, and be substituted for, and may exercise every right and power of the Company or its Subsidiary, as applicable, under this Agreement with the same effect as if such successor entity had been named as the Company or the Subsidiary herein, and thereafter the Company or the Subsidiary, as applicable, shall be relieved of all obligations and covenants under this Agreement.

If a consolidation, merger or conveyance or transfer is made as permitted by this Section, the provisions of this Section shall continue in full force and effect and no further consolidation, merger or conveyance or transfer shall be made except in compliance with the provisions of this **Section 4.04**.

The Company and its Subsidiary acknowledge transfers of this Agreement or the Negotiated FILOT Property may cause the Negotiated FILOT Property to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company or its Subsidiary with the Transfer Provisions.

Section 22. Records and Reports. The Company and its Subsidiary will maintain, or cause to be maintained, such books and records with respect to its respective portion of the

Project as will permit the identification of those portions of the Project it places in service during the Investment Period, the amount of investment with respect thereto, and any computations of Negotiated FILOT Payments made by such entity hereunder, and will comply with all reporting requirements of the State and the County applicable to Negotiated FILOT Property under the Negotiated FILOT Act, including without limitation the reports required by Section 12-44-90 of the Negotiated FILOT Act (collectively, "Filings"); provided, however, that the parties hereto hereby waive in its entirety the requirement under Section 12-44-55 of the Negotiated FILOT Act for a recapitulation of the terms of this Agreement. In addition, the following records shall be provided to the County:

(a) Upon direction of the governing body of the County, a County Official may request and obtain such financial books and records from the Company, its Subsidiary or any other Sponsor or Sponsor Affiliate that support the Negotiated FILOT returns of the Company, its Subsidiary, or such other Sponsor or Sponsor Affiliate as may be reasonably necessary to verify the calculations of the Negotiated FILOT Payments by the Company, its Subsidiary, or such other Sponsor or Sponsor Affiliate. For purposes of this Agreement, the term "County Official" shall include the Administrator, Auditor, Assessor, or Treasurer of the County.

(b) Each year during the Term hereof, the Company, its Subsidiary, and each other Sponsor or Sponsor Affiliate shall deliver to the County Auditor, the County Assessor and the County Treasurer of the County a copy of any form or return it files with the Department of Revenue with respect to the Project at the same time as delivery thereof to the Department of Revenue.

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

Notwithstanding any other provision of this Section, the Company and its Subsidiary may, by clear, written designation, conspicuously marked, designate with respect to any Filings or other documents or information delivered to the County segments thereof that the Company or its Subsidiary believe contains proprietary, confidential, or trade secret matters. The County shall comply with all reasonable, written requests made by the Company or its Subsidiary with respect to maintaining the confidentiality of such designated segments, to the extent allowed by law. Except to the extent required by law, unless the County has provided at least ten (10) days advance written notice to the Company or its Subsidiary of such proposed release, the County shall not knowingly and voluntarily release any Filing, documents, or other information provided to the County by the Company or its Subsidiary in connection with the Project, whether or not

such information has been designated as confidential or proprietary by the Company or its Subsidiary.

ARTICLE VI

FEES IN LIEU OF TAXES

Section 23. Payment of Fees in Lieu of *Ad Valorem* Taxes.

(a) In accordance with the Negotiated FILOT Act, the parties hereto hereby agree, during the Term hereof, that there shall be due annually with respect to that portion of the Project constituting Negotiated FILOT Property, whether owned by the Company or its Subsidiary, a Negotiated FILOT Payment calculated as set forth in this Section, at the places, in the manner and subject to the penalty assessments prescribed by the County or the Department of Revenue for *ad valorem* taxes. It is presently anticipated, but not required, that the initial Negotiated FILOT Payment, which shall be due under current Code requirements on the January 15 following the year in which the County adds the initial Negotiated FILOT Property to its tax rolls, will be due on January 15, 2023.

(b) Subject to adjustment pursuant to the provisions of this **Section 5.01**, the Negotiated FILOT shall be calculated each year in accordance with the following provisions:

(1) For each annual increment of investment in Negotiated FILOT Property, the annual Negotiated FILOT Payments shall initially be payable for a payment period of thirty (30) years. Accordingly, if such Negotiated FILOT Property is placed in service by the Company or its Subsidiary during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a payment period of thirty (30) years up to an aggregate of thirty-five (35) years or, if the Investment Period is extended as set forth in the definition of "Investment Period" in **Section 1.01** hereof, up to an aggregate of forty (40) years.

(2) The Negotiated FILOT shall be determined using: (1) an assessment ratio of 6%; (2) the lowest millage rate allowed with respect to the Project pursuant to Section 12-44-50(A)(1)(d) of the Negotiated FILOT Act, which based on the property comprising the Land as of the original execution and delivery of this Agreement, is equal to the millage indicated on **Exhibit B** with respect to all Negotiated FILOT Property comprised of, or located on, such Land; and, (3) the fair market value of such Negotiated FILOT Property as determined in accordance with Section 12-44-50(A)(1)(c) of the Negotiated FILOT Act, which, for typical arm's length construction or acquisition, uses the original income tax basis for any real property without regard to depreciation or reassessment and the original income tax basis for

any personal property less allowable depreciation (except depreciation due to extraordinary obsolescence); provided, however, that the Company, its Subsidiary and the County may agree, only in a writing approved by the Council, at a later date to amend this Agreement as to Negotiated FILOT Property owned by the Company or its Subsidiary so as to determine the fair market value of any such real property in accordance with any other method permitted by the Negotiated FILOT Act.

(3) All such calculations shall take into account all deductions for depreciation or other diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the five (5) year exemption from County taxes allowed for certain manufacturing, distribution, corporate headquarters and research and development facilities pursuant to Section 3(g) of Article X of the Constitution of the State and Sections 12-37-220(B)(32) and (34) of the Code; provided, however, the Company or its Subsidiary shall not be entitled to extraordinary obsolescence with respect to Negotiated FILOT Property as set forth in Section 12-44-50(A)(1)(c)(ii) of the Negotiated FILOT Act.

(4) For purposes of calculating the Negotiated FILOT, the Negotiated FILOT Property shall not include any Released Property or Non-Qualifying Property.

(c) To the extent not prohibited by the Department of Revenue, Negotiated FILOT Payments are to be recalculated (subject, always to the continuing requirements of **Section 5.01(f)** hereof):

(1) to reduce such payments in the event the Company or its Subsidiary disposes of any part of the Negotiated FILOT Property within the meaning of Section 12-44-50(B) of the Negotiated FILOT Act and as provided in **Section 4.01(d)(ii)** hereof by the amount applicable to the Released Property;

(2) to reduce such payments in the event that the Negotiated FILOT Property or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings or otherwise removed from the Project as a result of circumstances beyond the control of the Company or its Subsidiary;

(3) to increase such payments in the event the Company or its Subsidiary adds any Negotiated FILOT Property (other than Replacement Property) to the Project; or

(4) to adjust such payments if the Company or its Subsidiary elects to convert any portion of the Negotiated FILOT Property from the Negotiated FILOT to *ad valorem* taxes, or to FILOT payments pursuant to the Multi-County Park Act, as the case may be, as permitted by **Section 4.01(d)(iii)**.

(d) Upon installation or placing in service of any Replacement Property for any Released Property, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by the Negotiated FILOT Act, subject to the following rules:

(1) Such Replacement Property does not have to serve the same function as the Released Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the Negotiated FILOT, whether real or personal, which is disposed of in the same Property Tax Year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Released Property which it is replacing in the same Property Tax Year. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Released Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes, or to the FILOT payments pursuant to the Multi-County Park Act, as the case may be, which would have been paid on such property but for this Agreement. Replacement Property is entitled to the Negotiated FILOT Payments for the remaining portion of the Negotiated FILOT Payment period set forth in **Section 5.01(b)(i)** hereof applicable to the Released Property.

(2) The Company and its Subsidiary shall maintain, or cause to be maintained, records sufficient to identify all Replacement Property it places in service, and the Negotiated FILOT Payments with respect thereto shall be calculated using the millage rate and assessment ratio provided on the property it is replacing.

(e) In the event that, for any reason, the Negotiated FILOT Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Negotiated FILOT Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Company and its Subsidiary benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company

and its Subsidiary, and the County agree that there shall be due hereunder with respect to the portion of the Negotiated FILOT Property affected by such circumstances *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be, and that, to the extent permitted by law, the Company and its Subsidiary shall be entitled: (1) to enjoy the five (5) year exemption from *ad valorem* taxes, or from FILOT payments pursuant to the Multi-County Park Act, as the case may be, provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive all other tax credits which would be due if the Company and its Subsidiary were obligated to pay *ad valorem* taxes, or make FILOT payments pursuant to the Multi-County Park Act, as the case may be, hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are subject to retroactive adjustment, then there shall be due and payable from the Company and its Subsidiary, as the case may be, with respect to such entity's portion of the Negotiated FILOT Property in question, an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, or as FILOT payments pursuant to the Multi-County Park Act, as the case may be, together with interest on such deficiency as provided in Section 12-54-25(D) of the Code (a "Deficiency Payment").

(f)

(1) In the event that the Minimum Statutory Investment Requirement is not satisfied by the end of the Compliance Period, then all Negotiated FILOT Payments shall revert retroactively to *ad valorem* taxes, or to FILOT payments pursuant to the Multi-County Park Act, as the case may be, calculated as set forth in paragraph (e) above, and a Deficiency Payment shall be due and payable from, or at the direction of, the Company or its Subsidiary with respect to Negotiated FILOT Payments theretofore made. To the extent necessary to collect a Deficiency Payment under this clause (i) due to failure to satisfy the Minimum Statutory Investment Requirement, Section 12-44-140(D) of the Negotiated FILOT Act provides that any statute of limitations that might apply pursuant to Section 12-54-85 of the Code is suspended.

(2) In the event that the Minimum Statutory Investment Requirement is satisfied by the end of the Compliance Period, but following the Compliance Period, investment in the Project, without regard to depreciation or other diminution in value, falls below the investment level set forth in the Minimum Statutory Investment Requirement, then the Project shall prospectively be subject to *ad valorem* taxes, or to FILOT payments pursuant to the Multi-County Park Act, as the case may be, calculated as set forth in paragraph (e) above, in accordance with Section 12-44-140(C) of the Negotiated FILOT Act, commencing with any Negotiated FILOT Payments due with respect to Project property placed in service as of the end of the Property Tax Year in which such deficiency occurs.

(3) In accordance with the provisions of **Sections 4.01(b) and 6.02** hereof, except for Existing Property, the investment in all property utilized by the Company or its Subsidiary at the Land, whether owned by the Company or its Subsidiary outright or utilized by the Company or its Subsidiary pursuant to any financing agreement or any lease or other arrangement with the Company or its Subsidiary, which qualifies as Negotiated FILOT Property, shall be counted toward all investment obligations under this Agreement, including, to the extent permitted by law, investment obligations under the Negotiated FILOT Act.

(g) Except as otherwise set forth in this Agreement or as otherwise required by the Act, any amounts due to the County under this **Section 5.01** as a Deficiency Payment or other retroactive payment shall be paid, or caused to be paid, by the Company or its Subsidiary, as the case may be, within sixty (60) days following receipt by the Company or its Subsidiary of notice from the County that such a Deficiency Payment or other retroactive payment is due from such entity.

The Company and its Subsidiary acknowledge that: (i) the calculation of the annual Negotiated FILOT Payment due hereunder is a function of the Department of Revenue and is wholly dependent on the parties hereto intended to receive benefits under this Agreement timely submitting the correct annual property tax returns to the Department of Revenue; (ii) the County has no responsibility for the submission of returns or the calculation of the annual Negotiated FILOT Payment; and, (iii) failure by any party to timely submit the correct annual property tax return could lead to loss of all or a portion of the Negotiated FILOT benefits and other incentives provided by this Agreement.

Section 24. Statutory Lien. The parties hereto acknowledge the County's right to receive Negotiated FILOT Payments hereunder and that the County is entitled to and shall have a statutory lien with respect to the Project pursuant to Section 12-44-90(E) of the Negotiated FILOT Act and Title 12, Chapter 54 of the Code relating to the collection and enforcement of *ad valorem* property taxes.

ARTICLE VII

THIRD PARTY ARRANGEMENTS

Section 25. Conveyance of Liens and Interests; Assignment. The County agrees that the Company and its Subsidiary may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to all or any part of the Project to any Person; or, (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing entity or other Person with respect to this Agreement or all or any part of the Project, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such portion of the Project, whereby the transferee in any such arrangement leases the portion of the Project in question to the Company or its Subsidiary or operates such assets for

the Company or its Subsidiary or is leasing all or a portion of the Project in question from the Company or its Subsidiary. In the event of any such transfer, lease, financing, or other transaction described above, the rights and interests of the Company or its Subsidiary under this Agreement, including, without limitation, the benefits of the Negotiated FILOT and the Special Source Credits, with respect to any Project property so transferred, leased, financed, or otherwise affected shall be so transferred and preserved, upon written approval of the County, which approval may take the form of a resolution or ordinance of the Council.

Subject to County consent when required under this **Section 6.01**, and at the expense of the Company or its Subsidiary, the County agrees to take such further action and execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or its Subsidiary under this Agreement and/or any release of the Company or its Subsidiary pursuant to this **Section 6.01**.

The Company and its Subsidiary acknowledge that any transfer of an interest under this Agreement or in the Negotiated FILOT Property may cause all or part of the Negotiated FILOT Property to become ineligible for a Negotiated FILOT or result in penalties under the Negotiated FILOT Act absent compliance by the Company or its Subsidiary with the Transfer Provisions.

Section 26. Sponsors and Sponsor Affiliates. The Company or its Subsidiary may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Negotiated FILOT Act, which, in each case, must agree to be bound by the terms of this Agreement and must be approved by resolution of the Council. The Company or its Subsidiary, as the case may be, shall provide the County and the Department of Revenue with written notice of any Sponsor or Sponsor Affiliate designated pursuant to this **Section 6.02** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Negotiated FILOT Property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Negotiated FILOT Act.

ARTICLE VIII

TERM; TERMINATION

Section 27. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company and its Subsidiary execute this Agreement, and ending at midnight on the later of: (i) the day the last Negotiated FILOT Payment is made hereunder; or, (ii) the day that all Special Source Credits due from the County hereunder have been fully provided by the County.

Section 28. Termination. In addition to the termination rights of the County under **Section 8.02(a)** hereof, the County, the Company and its Subsidiary may jointly agree to terminate this Agreement at any time, or the Company and its Subsidiary, may, at their option,

unilaterally terminate this Agreement at any time, with respect to all, or any portion, of the Project in which event the Project, or such portion of the Project, shall be subject to *ad valorem* taxes, or to FILOT payments under the Multi-County Park Act, as the case may be, from the date of termination. Notwithstanding termination of this Agreement, the County shall have the same rights to receive payment for any retroactive *ad valorem* taxes, Deficiency Payments, interest or penalties, and the same enforcement rights with respect to such obligations as it would have with respect to *ad valorem* taxes, and the County's rights arising under **Section 5.01** prior to the time of such termination shall survive any such termination.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 29. Events of Default. Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default by the Company or its Subsidiary (the "Defaulting Entity"):

(a) if default shall be made in the due and punctual payment of any Negotiated FILOT Payments, which default shall not have been cured within sixty (60) days following receipt of written notice of such default from the County;

(b) if default shall be made in the due performance of or compliance with any of the terms hereof, other than those referred to in the foregoing paragraph (a), and such default shall continue for sixty (60) days after the County shall have given the Defaulting Entity written notice of such default; provided, the County may, in its discretion, grant the Defaulting Entity a longer period of time as necessary to cure such default if the Defaulting Entity proceeds with due diligence to cure such default; provided however, that no Event of Default shall exist under this Agreement during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Defaulting Entity has contested the occurrence of such default; or,

(c) if a Cessation of Operations occurs after the Compliance Period. For purposes of this Agreement, a "Cessation of Operations" means a publicly announced closure of the Project or a cessation in production at the Project that continues for a period of twelve (12) consecutive months.

Notwithstanding anything herein to the contrary, failure to meet any investment requirement, threshold, or level set forth in this Agreement shall not be deemed to be an Event of Default under this Agreement, but may terminate certain benefits hereunder or obligate the Company or its Subsidiary, as the case may be, to make certain additional payments to the County, all as set forth in **Section 5.01(f)** hereof.

Section 30. Remedies on an Event of Default. Upon the occurrence of any Event of Default, the following remedies may be exercised by the County only as to the Defaulting Entity:

(a) the County may terminate this Agreement by delivery of written notice to the Defaulting Entity not less than thirty (30) days prior to the termination date specified therein;

(b) the County may have access to and inspect, examine, and make copies of the books and records of the Defaulting Entity pertaining to the construction, acquisition, or maintenance of the Project or calculation of the Negotiated FILOT as provided in **Section 4.05** hereof;

(c) the County may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then due or enforce the County's rights hereunder, it being the express intent of the parties hereto that the County, without limitation, shall have the same remedies available by law to collect Negotiated FILOT Payments as if they were delinquent *ad valorem* tax payments, including execution upon the lien referred to in **Section 5.02** hereof.

Section 31. Defaulted Payments. In the event the Company or its Subsidiary should fail to make any of the payments required to be made by such entity under this Agreement, the item or installment so in default shall continue as an obligation of such entity until the amount in default shall have been fully paid. If any such default relates to its obligations to make Negotiated FILOT Payments hereunder, such entity shall pay the same with interest thereon at the rate per annum provided by the Code for late payment of *ad valorem* taxes together with any penalties provided by the Code for late payment of *ad valorem* taxes, all as provided in Section 12-44-90 of the Negotiated FILOT Act.

Section 32. Default by the County. Upon the default of the County in the performance of any of its obligations hereunder, the Company and its Subsidiary may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation a suit for *mandamus* or specific performance.

ARTICLE X

MISCELLANEOUS

Section 33. Rights and Remedies Cumulative. Each right, power, and remedy of the County, or of the Company or its Subsidiary 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 or its Subsidiary 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 or its Subsidiary of any or all such other rights, powers, or remedies.

Section 34. 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; provided, however, that notwithstanding anything herein to the contrary, the County may not assign any or all of its rights, duties, and obligations in, to, and under this Agreement without the written consent of the Company and its Subsidiary, which consent may be provided by the Company and its Subsidiary in their sole discretion.

Section 35. Notices; Demands; Requests. All notices, demands, and requests to be given or made hereunder to or by the County or the Company and its Subsidiary 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 reputable courier service, to the following persons and addresses or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

Saluda County
Attn: County Director
400 West Highland Street
Saluda, South Carolina 29138
Phone: (864) 445-4500, Ext. 2228

(b) with a copy (which shall not constitute notice) to:

Saluda County Attorney
400 West Highland Street
Saluda, South Carolina 29138
Phone: (864) 445-4500

(c) As to the Company or its Subsidiary:

(d) with a copy (which shall not constitute notice) to:

Nexsen Pruet, LLC
Attn: Burnet R. Maybank III
Andrew W. Saleeby
1230 Main Street, Suite 700 (29201)
P.O. Box 2426
Columbia, South Carolina 29202
Phone: (803) 253-8220

Section 36. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State. To the extent of any conflict between the provisions of this Agreement and the Act, the Act controls.

Section 37. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other and supersedes all prior and contemporaneous discussions of the parties hereto, whether oral or written, and neither party hereto has made or shall be bound by any agreement or any warranty or 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. Unless as otherwise expressly set forth herein, this Agreement will not confer any rights or remedies upon any Person other than the parties hereto and their respective successors and assigns as permitted hereunder.

Section 38. Severability. In the event that any clause or provision 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 39. 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 40. 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 41. Amendments. Subject to the limitations set forth in Section 12-44-40(K)(2) of the Negotiated FILOT Act, this Agreement may be amended, or the rights and interest of the parties hereto hereunder surrendered, only by a writing signed by both parties hereto.

Section 42. Waiver. Either party hereto may waive compliance by the other party hereto with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 43. Further Proceedings. The parties hereto intend any action to be taken hereinafter by the County pursuant to the express provisions of this Agreement may be undertaken by the Chairman of the Council without necessity of further proceedings. To the extent additional proceedings are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.

Section 44. Indemnification Covenants.

(a) Except as provided in paragraph (b) below, the Company shall indemnify and save the County, its employees, elected officials, officers and agents (each, an “Indemnified Party”) harmless against and from all liability or claims arising from the County’s execution of this Agreement, performance of the County’s obligations under this Agreement or the administration of its duties pursuant to this Agreement, or otherwise by virtue of the County having entered into this Agreement. The Company shall indemnify, defend and save the County harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon, and upon notice from the County, the Company shall defend it in any such action, prosecution or proceeding with legal counsel of the Company’s choice, which is acceptable to the County (the approval of which shall not be unreasonably withheld), and whose purported representation of the County in such matters would not present an unwaivable conflict of interest under the South Carolina Rules of Professional Conduct, the waiveability of which shall be determined by the County, in its reasonable discretion; provided, however, that the Company shall be entitled to manage and control the defense of, or respond to, any claim, action, prosecution, or proceeding, for itself and any Indemnified Party; provided the Company is not entitled to settle any matter without the consent of that Indemnified Party. To the extent any Indemnified Party desires to use separate legal counsel for any reason, that Indemnified Party is responsible for its independent legal costs and expenses, in whole.

(b) Notwithstanding anything herein to the contrary, the Company is not required to indemnify any Indemnified Party against or reimburse the County for costs arising from any claim or liability: (i) occasioned by the acts of that Indemnified Party, which are unrelated to the execution of this Agreement, performance of the County’s obligations under this Agreement, or the administration of its duties under this Agreement, or otherwise by virtue of the County having entered into this Agreement; or, (ii) resulting from that Indemnified Party’s own negligence, bad faith, fraud, deceit, or willful misconduct.

(c) An Indemnified Party may not avail itself of the indemnification of costs provided in this Section unless it provides the Company with prompt notice, reasonable under the circumstances, of the existence or threat of any claim or liability, including, without limitation, copies of any citations, orders, fines, charges, remediation requests, or other claims or threats of claims, in order to afford the Company notice, reasonable under the circumstances, within which to defend or otherwise respond to a claim.

Section 45. No Liability of County Personnel. All covenants, stipulations, promises, agreements and obligations of the County contained in this Agreement are binding on members of the Council or any elected official, officer, agent, servant or employee of the County only in his or her official capacity and not in his or her individual capacity, and no recourse for the payment of any moneys under this Agreement may be had against any member of the Council or any elected or appointed official, officer, agent, servant or employee of the County and no recourse for the payment of any moneys or performance of any of the covenants and agreements under this Agreement or for any claims based on this Agreement may be had against any

member of Council or any elected or appointed official, officer, agent, servant or employee of the County except solely in their official capacity.

Section 46. Limitation of Liability. The County is not liable to the Company for any costs, expenses, losses, damages, claims or actions in connection with this Agreement, except from amounts received by the County from the Company under this Agreement. Notwithstanding anything in this Agreement to the contrary, any financial obligation the County may incur under this Agreement is deemed not to constitute a pecuniary liability or a debt or general obligation of the County.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Fee in Lieu of Tax and Incentive Agreement to be effective as of the date first written above.

SALUDA COUNTY, SOUTH CAROLINA

By: _____
Raymond G. Strawbridge, Chairman, County Council
Saluda County, South Carolina

[SEAL]

ATTEST:

By: _____
Regina H. Turner, Clerk to County Council
Saluda County, South Carolina

PROJECT LIGHT

By: _____

Name: _____

Its: _____

THE SUBSIDIARY

By: _____

Name: _____

Its: _____

EXHIBIT A
LAND DESCRIPTION

EXHIBIT B
APPLICABLE MILLAGE RATES

The millage rate to be applied in accordance with Section 5.01(b)(ii) of this Agreement shall be as follows for each parcel of real property indicated below, and all business personal property located thereon:

-

There shall be applied an additional millage rate to business personal property located within any of the following municipal limits:

-