



## NOTICE

Union County Council will hold its regular monthly meeting on Tuesday January 14, 2025 at 5:30 p.m. The meeting will be held in the Grand Jury Room located on the second floor of the Union County Courthouse at 210 West Main Street Union, SC 29379. The public is invited to attend. For those wishing to view the meeting online, the live stream will be available on the Union County, SC Facebook page.

Anyone needing assistance to attend the meeting shall notify the Clerk to Council at least 24 hours prior to the meeting via email to:

[khorne@countyofunion.com](mailto:khorne@countyofunion.com), or by calling 864-429-1600.



AGENDA  
REGULAR MONTHLY MEETING OF THE UNION COUNTY COUNCIL  
GRAND JURY ROOM  
210 W. MAIN STREET  
UNION, S. C. 29379  
TUESDAY, January 9, 2025  
5:30 p.m.

Citizen may access a live stream of the meeting by visiting the Union County, SC Facebook page  
Notice of the meeting and the agenda were posted on the county website at [www.gearupunionsc.com](http://www.gearupunionsc.com),  
posted on the bulletin board at the Union County Courthouse and the Union County Government Office  
Building, furnished to the media, and provided to those requesting notification.

- I. Call to Order  
Chairman, Phillip Russell
- II. Invocation  
Chaplain, Danny Bright
- III. Pledge of Allegiance  
Vice Chairman, David Sinclair
- IV. Roll Call  
Clerk to Council
- V. Approval of Minutes  
A. Regular monthly meeting 12-10-2024
- VI. Presentation of Service Awards  
Chairman, Phillip Russell
- VII. Consider appointment of Council Vice Chair, Chaplain and Standing Committees
- VIII. Consider Board Appointment(s)  
A. Upstate Workforce Board- request to appoint Dr. Kristi Woodall as private sector employer representative.
- IX. Consider covering expenditures from Council Contingency fund.  
A. \$175.99 (appreciation gift for former Clerk of Court Melanie Lawson)  
B. \$67.78 (for refreshments for swearing in ceremony for Council)
- X. Considering changes to council meeting schedule  
A. Request to move February Meeting to 103 West Main Street  
B. Request to move June 10, 2025 meeting to June 17, 2025

XI. **ORDINANCES**

**A. 1<sup>st</sup> Reading**

An Authorizing the Sale and Conveyance of Certain Union County-Owned real property to the Union Laurens Commission on Higher Education; and other matters related thereto.

**B. 2<sup>nd</sup> Reading**

An Ordinance authorizing the executions and delivery of a fee agreement by and between Union County and Project Panama.

**C. 2<sup>nd</sup> Reading**

An Ordinance authorizing and approving the development of a new joint county industrial and business park with Spartanburg County, such park that will be geographically located in Union County; also authorizing the executions of a written park agreement with Spartanburg County as to FILOT requirements, the distributions of revenues and other matters related thereto.

**D. 3<sup>rd</sup> and Final Reading.**

An Ordinance authorizing the termination of that certain written agreement with Union County for the Development of a jointly owned and operated Industrial Business Park, such park geographically located in Spartanburg County and the City of Spartanburg and established pursuant to South Carolina Code of Laws of 1976 §4-1-170, et. seq., as amended and other matters related thereto.

XII. Call for Committee Reports.

XIII. Supervisor's Report.

XIV. Public Comment  
Leslie Swigart-to discuss council.

XV. Adjourn



Advancing the Future of Business and Community

January 2, 2025

The Honorable Phillip Russell  
Supervisor  
**UNION COUNTY GOVERNMENT**  
210 West Main Street  
Union, South Carolina 29379

Dear Councilman Russell:

Upstate Workforce Board member, Mr. Jay Coffey, has nominated Dr. Kristi Woodall (120 Woodall Way, Union) for your consideration for a term on the Upstate Workforce Board. I have met with Dr. Woodall to ensure that she knows what the commitment is for serving on the Upstate Workforce Board as it relates to board and committee meetings. Dr. Woodall would represent the private sector as she works for Palmetto Skin and Laser Center. If appointed, her term would be from date of appointment to June 30, 2027.

Under the Workforce Innovation and Opportunity Act, the local County Council Chairs (Local Elected Official) are given the authority to appoint the board members representing their counties. Please let me know if you have any questions.

Sincerely,

**UPSTATE WORKFORCE BOARD**

A handwritten signature in black ink that reads "Ann Angermeier". The signature is fluid and cursive.

Ann Angermeier  
Executive Director



## 2025 REGULAR MONTHLY MEETING DATES FOR UNION COUNTY COUNCIL

Tuesday, January 14, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, February 11, 2025	5:30PM	Grand Jury Room	103 West Main St. Union, SC
Tuesday, March 11, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, April 8, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, May 13, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, June 17, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, July 8, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, August 12, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, September 9, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, October 14, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, October 15, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, November 18, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC
Tuesday, December 9, 2025	5:30PM	Grand Jury Room	210 West Main St. Union, SC

Changes in date, time or location are highlighted.

STATE OF SOUTH CAROLINA  
COUNTY OF UNION  
ORDINANCE NO. \_\_\_\_\_

A UNION COUNTY ORDINANCE AUTHORIZING THE SALE AND  
CONVEYANCE OF CERTAIN UNION COUNTY-OWNED REAL PROPERTY  
TO THE UNION-LAURENS COMMISSION ON HIGHER EDUCATION; AND  
OTHER MATTERS RELATED THERETO

WHEREAS, Union County (the "County") is a body politic and corporate and a political subdivision of the state of South Carolina (the "State"), and as such possesses all powers granted to counties by the Constitution and laws of the State; and

WHEREAS, Section 4-9-30 of the Code of Laws of South Carolina, 1976, as amended, provides, in part, that counties may sell or otherwise dispose of real and personal property; and

WHEREAS, the County owns that certain parcel of land located at 322 East Main Street, having, as of the date hereof, Union County Tax Map No. 073-12-21-001 (the "Land"), and all improvements thereon, including, without limitation, a building otherwise known as the "Annex Building" (the "Building"), and together with the Land, collectively, the "Property"; and

WHEREAS, on May 8, 2018, the County enacted Ordinance 328, and thereafter leased the Property to the Union-Laurens Commission on Higher Education, a South Carolina Commission created by Act 288 of 1987 (the "Commission") for a term of twenty-five (25) years; and

WHEREAS, the Commission desires to purchase the Property from the County, and the County desires to convey the Property to the Purchaser (the "Transfer") under the terms and conditions set forth in the Purchase and Sale Agreement (the "Purchase and Sale Agreement") attached as Exhibit A and incorporated herein by this reference.

NOW, THEREFORE, BE IT ORDAINED, BY UNION COUNTY COUNCIL AS FOLLOWS:

Section 1. Approval of Transfer; Execution and Delivery of Purchase and Sale Agreement. Union County Council hereby approves the Transfer of the Property to the Purchaser, subject to and in accordance with the terms set forth in the Purchase and Sale Agreement. Union County Council hereby accepts and approves the Purchase and Sale Agreement, and the County Supervisor shall be, and hereby is, authorized to execute and deliver the Purchase and Sale Agreement on behalf of the County, with any such amendments to the Purchase and Sale Agreement as the County Supervisor may determine are in the best interest of the County, on advice of legal counsel to the County.

Section 2. Performance Under Purchase and Sale Agreement. The County Supervisor shall be, and hereby is, authorized to and directed to enforce the terms of the Purchase and Sale Agreement and perform any and all acts on behalf of the County in accordance with the terms of the Purchase and Sale Agreement and the Covenants.

Section 3. Execution and Delivery of Transfer Documents. The County Supervisor shall be, and hereby is, authorized to and directed to execute and deliver, on behalf of the County, all seller deliveries, as stated in the Purchase and Sale Agreement, all in accordance with the terms of the Purchase and Sale Agreement, and in a form and substance acceptable to the County Supervisor, on advice of legal counsel to the County. The County Supervisor shall be, and hereby is, authorized and directed to execute and deliver any and all other documents or instruments on behalf of the County related to the Transfer in a form and substance acceptable to the County Supervisor, on advice of legal counsel to the County. The County Supervisor is further authorized and empowered to execute any subsequent amendments or

revisions to the Purchase and Sale Agreement, seller deliveries, certifications or documents authorized under this Ordinance.

Section 4. Severability. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 5. Repeal of Inconsistent Ordinances and Resolutions. All ordinances and resolutions of the County, and any part of any ordinance or resolution, inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section 6. Effective Date. This Ordinance shall be effective upon its enactment by the Union County Council.

ORDAINED AND ENACTED by Union County Council, this \_\_\_\_ day of \_\_\_\_\_, 2025.

UNION COUNTY, SOUTH CAROLINA

By: \_\_\_\_\_  
Phillip Russell, County Supervisor  
Union County, South Carolina

ATTEST:

By: \_\_\_\_\_  
Kindra Horne, Clerk to Union County Council  
Union County, South Carolina

Date of First Reading: \_\_\_\_\_  
Date of Second Reading: \_\_\_\_\_  
Date of Public Hearing: \_\_\_\_\_  
Date of Third Reading: \_\_\_\_\_

**Exhibit A**

[Insert Purchase and Sale Agreement]



## PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (this "Agreement") is made as of \_\_\_\_\_, 2025 (the "Effective Date") by and between **Union County**, a body politic and corporate and political subdivision of the State of South Carolina ("Seller") and **Union-Laurens Commission on Higher Education**, a body politic and corporate and public entity, created and existing under the laws of South Carolina ("Purchaser"). Seller and Purchaser are referred to individually herein as "Party" and collectively herein as the "Parties".

In consideration of the mutual promises contained in this Agreement, Purchaser agrees to purchase and Seller agrees to sell and convey, upon all the terms and conditions hereafter set forth, the Property (as hereinafter defined):

1. **PROPERTY DESCRIPTION.** Seller hereby agrees to sell that certain parcel of land located at 322 East Main Street, City of Union, Union County, South Carolina, having, as of the date hereof, Union County Tax Map No. 073-12-21-001 (the "Land"), and all improvements thereon, including, without limitation, a building otherwise known as the "Annex Building" (the "Building", and together with the Land, collectively, the "Property"), as being more particularly shown and designated on Exhibit A, attached hereto and incorporated herein by this reference.

2. **PURCHASE PRICE.** The total Purchase Price for the Property is One and 00/100 Dollars (\$1.00) (the "Purchase Price") to be paid by Purchaser in immediately available funds at Closing (as hereafter defined).

3. **DUE DILIGENCE; INSPECTIONS; SELLER'S REPRESENTATIONS.**

(a) *Due Diligence.* Purchaser agrees that in connection with its purchase of the Property, Purchaser has the right and ability to inspect the physical condition of the Property, the title to the Property, any matters relating to zoning, land use, building, environmental and other statutes, codes, rules or regulations applicable to the Property, and any other matters relevant to acquisition, ownership and operation of the Property (collectively the "Property Information"). Purchaser acknowledges and agrees that Purchaser shall be responsible for verifying through Purchaser's own due diligence the accuracy and completeness of all documents and information provided by Seller to Purchaser, and any reliance by Purchaser on such documents and information shall be at Purchaser's own risk and expense. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, SELLER HAS NOT UNDERTAKEN ANY INDEPENDENT INVESTIGATION OF, AND MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER AS TO THE TRUTH, ACCURACY OR COMPLETENESS OF, ANY MATERIALS OR INFORMATION, INCLUDING BUT NOT LIMITED TO ANY MATERIALS RELATING TO THE PROPERTY, DELIVERED OR MADE AVAILABLE BY SELLER TO PURCHASER IN CONNECTION WITH THE TRANSACTION CONTEMPLATED HEREIN.

(b) *Inspection Period.* Purchaser has thirty (30) days from the Effective Date (the "Inspection Period") to inspect the Property and review the Property Information. Purchaser may terminate this Agreement by giving Seller written notice at any time during the Inspection Period. If Purchaser fails to notify Seller in writing of Purchaser's termination of this Agreement prior to the expiration of the Inspection Period, then Purchaser shall have waived its right to terminate this Agreement pursuant to this Section 3(b) and the Parties shall proceed to Closing in accordance with the terms set forth herein.

(c) *Right of Entry.* Purchaser acknowledges that Purchaser is the current tenant on the Property and, as such, has full access to the Property. During the Inspection Period, Purchaser and its contractors and agents shall have the right to enter the Property during normal business hours for the

purpose of examining the environmental, structural and other physical conditions of the Property. Such right of entry shall be governed by the following provisions:

(i) Purchaser shall not take any core samples, install any monitoring wells or undertake any other invasive tests or studies, or communicate with any government agencies or officials (other than Seller and its employees who are directly involved with this Agreement) with respect to environmental matters without Seller's prior written consent unless otherwise required by law or court order. In all events, Purchaser shall repair and restore any physical damage to the Property caused by the exercise of such rights to the extent possible.

(ii) Purchaser agrees that if the transaction contemplated by this Agreement does not occur due to termination prior to Closing for any reason, Purchaser shall deliver to Seller within fifteen (15) days after such termination copies of all engineering, environmental and other studies, surveys, reports and inspections prepared by or at the request of Purchaser in connection with the Property in Purchaser's actual possession.

EXCEPT WITH RESPECT TO SELLER'S REPRESENTATIONS SET FORTH IN SECTION 3(d) BELOW, PURCHASER ACKNOWLEDGES AND AGREES THAT SELLER MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND REGARDING THE PHYSICAL (INCLUDING ENVIRONMENTAL AND STRUCTURAL) CONDITION OF THE PROPERTY AND PURCHASER SHALL RELY ENTIRELY ON PURCHASER'S OWN EXAMINATIONS AND INSPECTIONS OF THE PROPERTY IN DETERMINING WHETHER TO PURCHASE THE PROPERTY. PURCHASER ACKNOWLEDGES AND AGREES THAT SELLER IS DELIVERING THE PROPERTY, AND PURCHASER IS ACCEPTING THE PROPERTY, "AS-IS, WHERE-IS" AND WITH ALL FAULTS.

(d) *Seller's Representations.* Seller represents that the following statements are true and correct in all respects as of the Effective Date. All representations shall terminate at Closing and shall be deemed to have merged into and be governed by the Deed (as defined below). Seller's representations are as follows:

(i) The execution, delivery and performance by Seller under this Agreement does not and, to the best of Seller's knowledge will not, result in any violation of, or be in conflict with or constitute a default under any judgment, decree, order, statute, rule or governmental regulation, or any agreement, indenture, license, or instrument affecting Seller or the Property.

(ii) Seller is the owner of the Property.

4. **DATE OF CLOSING.** The closing of this transaction ("Closing") shall take place fifteen (15) days after the expiration of the Inspection Period (the "Closing Date") at the offices of Purchaser's attorney or at such other place as may be mutually agreed upon by the Parties. Notwithstanding the preceding sentence, upon Purchaser's written waiver of its right to conduct due diligence within the Inspection Period, Seller and Purchaser may agree to a Closing Date at any time prior to, or immediately after, the expiration of the Inspection Period.**CONVEYANCE OF PROPERTY; DELIVERIES AT CLOSING.**

(a) Subject to this Agreement, at Closing, Seller shall convey fee simple title to Purchaser, free from encumbrances.

(b) Seller agrees to execute and deliver at Closing a limited warranty deed (the "Deed"), an affidavit of title with respect to the Property, and other documents as may be required by Purchaser's title insurance company in form reasonably satisfactory to Seller and to Purchaser's title insurance company to issue title insurance without standard exceptions; provided, however, Purchaser acknowledges and agrees that Seller, as a South Carolina governmental entity, shall not provide any

indemnification as to the Property or otherwise. The Parties agree to execute and deliver a closing or settlement statement showing the financial terms of the transaction and any other documents that are required by law, that are customary in the State of South Carolina, or that otherwise are reasonably necessary to complete and evidence the transaction contemplated by this Agreement.

6. **CLOSING EXPENSES.** Purchaser is responsible for preparation of the Deed, the uniform filing fees set forth in S.C. Code Sec. 8-21-310(A), Purchaser's title examination and title insurance, and Purchaser's due diligence with respect to the Property, and the Property Information, including, without limitation, any reports or surveys related to the Property. Each Party is responsible for payment of Party's own attorneys' fees. The Parties acknowledge that payment of any Deed recording fees (deed stamps) as set forth in S.C. Code Sec. 12-24-10, et seq., are not applicable to the Property or to Purchaser or Seller. Similarly, the Parties acknowledge and agree that *ad valorem* taxes and assessments normally levied against real property is not applicable to the Property.**TERMINATION AND SURVIVAL.** "Terminate" or "termination" as used in this Agreement means the termination of this Agreement pursuant to an express right of termination. Upon termination the Parties will have no further rights or obligations under this Agreement except those expressly stated to survive termination of this Agreement. Only those provisions of this Agreement expressly provided to survive will survive Closing, and only to the extent expressly provided by the terms of this Agreement.

8. **NO BROKERAGE FEES.** Seller and Purchaser acknowledge and represent that they are dealing directly with each other with regard to this transaction and that there is no real estate broker involved or any real estate brokerage fee due.

9. **DEFAULT.** Upon the failure of Purchaser to comply with the terms hereof within the stipulated time, and after receipt of notice of said default with a ten (10) day right to cure, it is understood and agreed by and between the Parties that Seller shall have (i) the right to terminate this Agreement, (ii) the right to seek specific performance of this Agreement and Purchaser's obligations hereunder, provided that any such specific performance action is filed within ninety (90) days of the Closing Date, and (iii) the right to seek actual damages Seller may incur as a result of Purchaser's default. Upon the failure of Seller to comply with the terms hereof within the stipulated time and after receipt of notice of said default with a ten (10) day right to cure, it is understood and agreed by and between the Parties that Purchaser shall have (i) the right to terminate this Agreement, and (ii) the right to seek actual damages Purchaser may incur as a result of Seller's default.**NOTICES.** All notices, demands, consents, approvals, and other communications which are required or desired to be given by either Party to the other hereunder shall be in writing, which may be delivered via electronic mail, or delivered by either; a personal delivery service with charges therefor billed to shipper, certified mail with return receipt requested, or by a nationally recognized overnight delivery service with charges therefor billed to shipper (either of which shall be deemed given and received upon delivery). If delivered by electronic mail, a notice shall be deemed received on the day when such electronic mail is transmitted to the electronic mail notice address specified in this Agreement, unless such electronic mail notice is transmitted on a non-business day, or after 5:00 p.m. in the receiving location on a business day, in which case such notice shall be deemed received the next business day.

If to Purchaser: Union-Laurens Commission on Higher Education  
309 E. Academy Street  
Union, South Carolina 29379  
Attn: \_\_\_\_\_  
Email: \_\_\_\_\_

If to Seller: Union County

210 West Main Street  
Union, South Carolina 29379  
Attn: County Supervisor  
Email: prussell@countyofunion.com

With a copy to: Burr & Forman LLP  
104 South Main Street, Suite 700  
Greenville, SC 29601  
Attn: Adam R. Artigliere  
Email: aartigliere@burr.com

In the event of a change of address by a Party, such Party shall give written notice thereof in accordance with the foregoing. Rejection or failure to claim delivery of any such notice, or any refusal to accept any such notice, or the inability to deliver any such notice hereunder because of changed address or electronic mail address for which no notice was given, shall be deemed to be receipt of the notice sent as of the date of the first attempted delivery.

11. **MISCELLANEOUS.** The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions hereof and this Agreement shall be construed in all respects as if such invalid and unenforceable provision were omitted.

(b) For the convenience of the Parties, duplicate originals of this Agreement may be executed and each such original shall be deemed to be an original instrument.

(c) Time is of the essence in the performance of the terms and conditions of this Agreement. If any date set forth in this Agreement should fall on a Saturday, Sunday, or legal holiday, compliance with any obligation or delivery due on that date will be deemed acceptable on the next business day following such Saturday, Sunday, or legal holiday. In this Agreement, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the State of South Carolina. In this Agreement, the term "business day" means any day other than a Saturday, Sunday, or legal holiday.

(d) This Agreement shall be governed and construed in accordance with the laws of the State of South Carolina.

(e) The Parties hereto irrevocably and unconditionally submit to the jurisdiction of the Court of Common Pleas for Union County, South Carolina with respect to any action or proceeding arising out of or related to this Agreement or any other contract or agreement entered into between the Parties hereto. The Court of Common Pleas for Union County, South Carolina shall be the exclusive venue for any action or proceeding arising out of or related to this Agreement.

(f) Titles of the sections, paragraphs and subparagraphs included herein have been inserted as a matter of convenience for reference only and shall not affect the meaning or construction of any of the terms or provisions hereof.

(g) This Agreement and all documents and instruments incorporated herein by specific reference are intended by the Parties to be the final expression of their agreement and constitute a complete and exclusive statement of the terms hereof notwithstanding any representations or statements to the contrary heretofore made.

(h) The Parties hereto hereby acknowledge and agree that (i) each Party hereto is of equal bargaining strength, (ii) each such Party has actively participated in the drafting, preparation and

negotiation of this Agreement, (iii) each such Party has consulted with its own independent counsel, and such other professional advisors as it has deemed appropriate, relating to any and all matters contemplated under this Agreement, (iv) each such Party and its counsel and advisors have reviewed this Agreement, (v) each such Party has agreed to enter into this Agreement following such review and the rendering of such advice and (vi) any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

(i) In the event of litigation relating to enforcement of rights under this Agreement, the prevailing Party shall be entitled to recover all litigation expenses, including legal fees, attorneys' fees, and court costs, from the non-prevailing Party.

(j) This Agreement constitutes the entire agreement between the Parties and may not be amended, modified, altered or changed in any respect whatsoever, except by a further written agreement duly executed by the Parties.

(k) This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

(l) *WAIVER OF JURY TRIAL.* TO THE EXTENT ALLOWED BY LAW, BOTH SELLER AND PURCHASER HEREBY WAIVE TRIAL BY JURY IN ANY ACTION ARISING OUT OF MATTERS RELATED TO THIS AGREEMENT, WHICH WAIVER IS INFORMED AND VOLUNTARY. THE RIGHTS AND OBLIGATIONS UNDER THIS SECTION SHALL SURVIVE CLOSING OR EARLIER TERMINATION OF THIS AGREEMENT.

[SIGNATURES ON FOLLOWING PAGES]

**Counterpart Signature Page**  
**for**  
**PURCHASE AND SALE AGREEMENT**

The undersigned has executed and delivered this Agreement as of the Effective Date.

**SELLER:**

**UNION COUNTY**, a South Carolina body politic and a  
political subdivision of the State of South Carolina

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Print Name: Phillip Russell  
Its: Supervisor

**Counterpart Signature Page**  
**for**  
**PURCHASE AND SALE AGREEMENT**

The undersigned has executed and delivered this Agreement as of the Effective Date.

**PURCHASER:**

**UNION-LAURENS COMMISSION ON HIGHER  
EDUCATION**, a body politic and corporate and  
public entity, created and existing under the laws of  
South Carolina

\_\_\_\_\_  
Print Name: \_\_\_\_\_

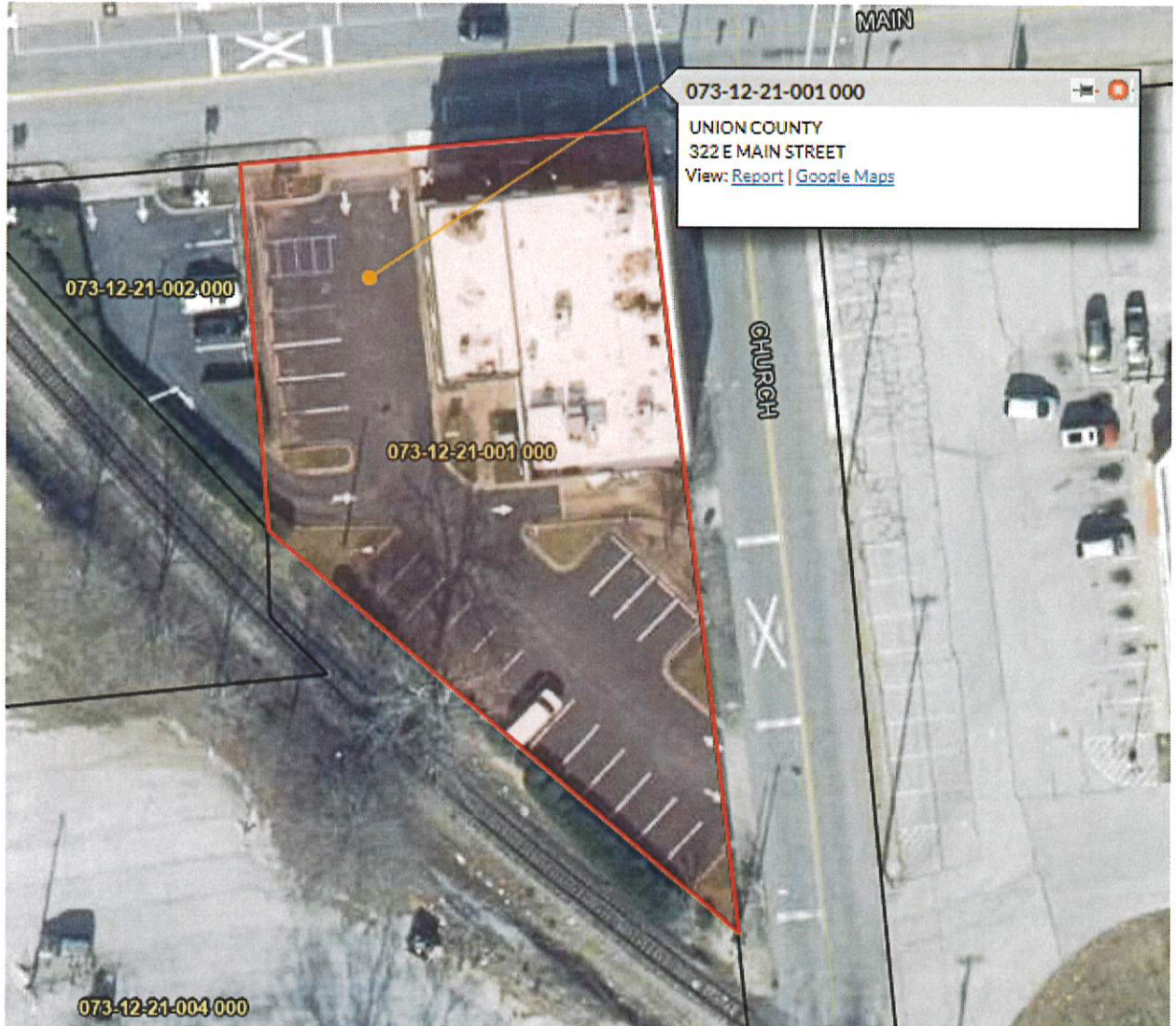
Its: \_\_\_\_\_

Exhibit A

Description of the Property

322 East Main Street, Union, Union County, South Carolina

TMS #: 073-12-21-001



*Exhibit A*

*Purchase and Sale Agreement*



ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BY AND BETWEEN UNION COUNTY, SOUTH CAROLINA AND A COMPANY OR COMPANIES KNOWN TO THE COUNTY AT THIS TIME AS PROJECT PANAMA [COMPANY(IES) NAME(S)] WITH RESPECT TO CERTAIN ECONOMIC DEVELOPMENT PROPERTY IN THE COUNTY, WHEREBY SUCH PROPERTY WILL BE SUBJECT TO CERTAIN PAYMENTS IN LIEU OF TAXES, INCLUDING THE PROVISION OF CERTAIN SPECIAL SOURCE CREDITS; AND OTHER MATTERS RELATED THERETO.**

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

**WHEREAS**, pursuant to the FILOT Act, and in order to induce investment in the County, the County did previously enter into an Inducement Agreement dated [REDACTED], 2025 (the “*Inducement Agreement*”) with [REDACTED], a [REDACTED] (the “*Company*”) (which was known to the County at the time as “*Project Panama*”), with respect to the acquisition, construction, and installation of land, buildings, improvements, fixtures, machinery, equipment, furnishings and other real and/or tangible personal property to constitute a transformer manufacturing facility in the County (collectively, the “*Project*”); and

**WHEREAS**, the Company has represented that the Project will involve an investment of approximately \$[340,433,000] in the County and the expected creation of approximately [698] new, full-time jobs at the Project, all within the Investment Period (as such term is defined in the hereinafter defined Fee Agreement; and

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

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

**WHEREAS**, pursuant to the Inducement Agreement, the County has agreed to, among other things, (a) enter into a Fee in Lieu of Tax and Special Source Credit Agreement with the Company (the “*Fee Agreement*”), whereby the County would provide therein for a payment of a fee-in-lieu-of taxes by the Company with respect to the Project, and (b) provide for certain special source credits to be claimed by

the Company against its payments of fees-in-lieu-of taxes with respect to the Project pursuant to Section 4-1-175 of the Multi-County Park Act; and

**WHEREAS**, the County Council has caused to be prepared and presented to this meeting the form of the Fee Agreement which the County proposes to execute and deliver; and

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

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

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

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

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

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

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

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

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

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

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

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

**ENACTED** in meeting duly assembled this \_\_ day of \_\_\_\_\_, 2025.

**UNION COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Chairman of County Council

\_\_\_\_\_  
County Administrator

Attest:

\_\_\_\_\_  
Clerk to County Council

First Reading: \_\_\_\_\_, 20\_\_  
Second Reading: \_\_\_\_\_, 20\_\_  
Third Reading: \_\_\_\_\_, 20\_\_  
Public Hearing: \_\_\_\_\_, 20\_\_

**STATE OF SOUTH CAROLINA**

**COUNTY OF UNION**

I, the undersigned Clerk to County Council of Union County, South Carolina, do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given reading, and received unanimous approval, by the County Council at its meetings of \_\_\_\_\_, 20\_\_, \_\_\_\_\_, 20\_\_, and \_\_\_\_\_, 20\_\_, at which meetings a quorum of members of County Council were present and voted, and an original of which ordinance is filed in the permanent records of the County Council.

---

Clerk to County Council,  
Union County, South Carolina

Dated: \_\_\_\_\_, 2025



Section 3. The businesses or industries located in the Park must pay a fee in lieu of *ad valorem* taxes as provided for in the Park Agreement. With respect to properties located in the Union County portion of the Park, the fee paid in lieu of *ad valorem* taxes shall be paid to the Treasurer of Union County. The portion of such fee allocated pursuant to the Park Agreement to Spartanburg County shall be thereafter paid by the Treasurer of Union County to the Treasurer of Spartanburg County within ten (10) business days after the end of the calendar quarter of receipt for distribution in accordance with the Park Agreement and the ordinances of Spartanburg County. With respect to properties located in the Spartanburg County portion of the Park, the fee paid in lieu of *ad valorem* taxes shall be paid to the Treasurer of Spartanburg County. The portion of such fee allocated pursuant to the Park Agreement to Union County shall thereafter be paid by the Treasurer of Spartanburg County to the Treasurer of Union County within ten (10) business days after the end of the calendar quarter of receipt for distribution in accordance with the Park Agreement and the ordinances of Union County.

Section 4. The ordinances and regulations of Union County concerning zoning, health and safety, and building code requirements apply to the Park properties in Union County unless the properties are within the boundaries of a municipality, in which case the municipality's ordinances and regulations apply. The ordinances and regulations of Spartanburg County concerning zoning, health and safety, and building code requirements apply to the Park properties in Spartanburg County unless the properties are within the boundaries of a municipality, in which case the municipality's ordinances and regulations apply.

Section 5. Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park properties in Union County is vested with the Union County Sherriff's Department. Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park properties in Spartanburg County is vested with the Spartanburg County Sheriff's Department. If any of the Park properties located in either Union County or Spartanburg County are within the boundaries of a municipality, then jurisdiction to make arrests and exercise law enforcement jurisdiction is vested with the law enforcement officials of the municipality.

Section 6. The revenues generated from industries or businesses to be retained by Union County pursuant to the Park Agreement shall be distributed within Union County in the manner set forth in Section 12-2 Union County Code of Ordinances, as the same may be amended from time to time ("Section 12-2"); provided, however, that: (i) all taxing entities which overlap the applicable properties in the Park shall receive some portion of the revenues generated from such properties, (ii) all revenues receivable by a taxing entity in a fiscal year shall be allocated to operations and maintenance and to debt service as determined by the governing body of such taxing entity; and (iii) Union County may, by ordinance, amend the distribution of such revenues to all taxing entities.

In the event that Section 12-2 is repealed and no successor ordinance or code section provides for the distribution of revenues generated from industries or businesses to be retained by Union County pursuant to the Park Agreement, such revenues shall be distributed as follows:

First, unless Union County elects to pay or credit the same from only those revenues which Union County would otherwise be entitled to receive as provided under "Third" below, to pay annual debt service and other amounts required to be paid with respect to any special source revenue bonds issued by Union County pursuant to, or to be utilized as a credit in the manner provided in the second paragraph of, Section 4-1-175, Code of Laws of South Carolina 1976, as amended, or any successor statutes or provisions, payable in whole or in part by or from revenues generated from any properties in the Park;

Second, at the option of Union County, to reimburse Union County for any expenses incurred by it in the development, operation, maintenance and promotion of the Park or the businesses located

therein and to fund economic development activities (including any incentives provided to industries and businesses) inside and outside the Park as determined by the County Council of Union County from time to time; and

Third, to those taxing entities which overlap the applicable properties within Union County's portion of the Park, in a pro-rata fashion based on comparative millage rates for the year in question of such taxing entities, and to no others;

provided, that: (i) all taxing entities which overlap the applicable properties in the Park shall receive some portion of the revenues generated from such properties, (ii) all revenues receivable by a taxing entity in a fiscal year shall be allocated to operations and maintenance and to debt service as determined by the governing body of such taxing entity; and (iii) Union County may, by ordinance, amend the distribution of such revenues to all taxing entities.

Section 7. To the extent this Ordinance contains provisions that conflict with provisions contained elsewhere in the Union County Code of Ordinances or other Union County ordinances or resolutions, the provisions contained in this ordinance supersede all other provisions and this Ordinance is controlling.

Section 8. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, the invalid or unconstitutional portion is deemed a separate, distinct, and independent provision, and the holding shall not affect the validity of the remaining portions of this Ordinance.

Section 9. This Ordinance is effective upon third reading.

[signature page follows]

ENACTED in meeting duly assembled this \_\_\_ day of \_\_\_\_\_, 2025.

**UNION COUNTY, SOUTH CAROLINA**

(SEAL)

---

County Supervisor  
Union County, South Carolina

**ATTEST:**

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Clerk to Union County Council

First Reading: \_\_\_\_\_, 20\_\_  
Second Reading: \_\_\_\_\_, 20\_\_  
Public Hearing: \_\_\_\_\_, 20\_\_  
Third Reading: \_\_\_\_\_, 20\_\_



Exhibit A

Form of Park Agreement

[see attached]

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

Between

**UNION COUNTY, SOUTH CAROLINA**

and

[\_\_\_\_\_]

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Dated as of [\_\_\_\_\_] , 2025

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

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

<b>Company Name:</b>	[ ]	<b>Project Name:</b>	<b>Project Panama</b>
<b>Projected Investment:</b>	<b>\$340,433,000</b>	<b>Projected Jobs:</b>	<b>698</b>
<b>Location (street):</b>	<b>3805 Furman L Fendley Hwy, Jonesville, SC 29353</b>	<b>Tax Map No.:</b>	[ ]
<b>1. FILOT</b>			
Required Investment:	\$340,433,000		
Investment Period:	8 years (Enhanced Investment)	Ordinance No./Date:	[ ]
Assessment Ratio:	4.00%	Term (years):	40
Fixed Millage:	373.6	Net Present Value (if yes, discount rate):	N/A
Clawback information:	Failure to meet the FILOT Act Minimum Investment Requirement during the Investment Period will result in termination of this Agreement and payment of a Deficiency Amount. Failure to meet the Enhanced Minimum Investment Requirement during the Investment Period will result in the modification of the Assessment Ratio and Investment Period, and the payment of a Deficiency Amount. See Section 4.03.		
<b>2. MCIP</b>			
Included in an MCIP:	Yes		
If yes, Name & Date:	Union/Spartanburg [ ], 2025		
<b>3. SSRC</b>			
Total Amount:	Determined based on investment.		
No. of Years	40		
Yearly Increments:	65% for Years 1-5, 60% for Years 6-10, 50% for Years 11-20 and 40% for Years 21-40		
Clawback information:	<p>A proportionate reduction of the SSRC (retroactive and prospective) is to apply if the Contract Minimum Investment Requirement is not satisfied during the Investment Period, provided not less than \$150,000,000 is invested in the project during the Investment Period. A full clawback of the SSRC (retroactive and prospective) is to apply if less than \$150,000,000 is invested in Economic Development Property comprising the Project during the Investment Period. See Section 4.02.</p> <p>A proportionate reduction (prospective only) of the SSRC is to apply if the Contract Minimum Investment Requirement is not maintained following the Investment Period. A full loss of the SSRC is to apply (prospective only) if the investment maintained after the Investment Period falls below \$150,000,000. See Section 4.02.</p>		
<b>4. Other information</b>	N/A		

## FEE IN LIEU OF TAX AGREEMENT

**THIS FEE IN LIEU OF TAX AND SPECIAL SOURCE CREDIT AGREEMENT** (the "*Fee Agreement*") is made and entered into as of [\_\_\_\_], 2025 by and between **UNION COUNTY, SOUTH CAROLINA** (the "*County*"), a body politic and corporate and a political subdivision of the State of South Carolina (the "*State*"), acting by and through the Union County Council (the "*County Council*") as the governing body of the County, and [\_\_\_\_], a [\_\_\_\_] organized and existing under the laws of the State of [\_\_\_\_] (the "*Company*").

### RECITALS

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

2. Sections 4-1-170 and 12-44-70 of the Code authorize the County to provide special source revenue credit ("*Special Source Revenue Credit*") financing secured by and payable solely from revenues of the County derived from payments in lieu of taxes for the purposes set forth in Section 4-29-68 of the Code, namely: the defraying of the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County and for improved and unimproved real estate, and personal property, including but not limited to machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County (collectively, "*Infrastructure*").

3. The Company (as a Sponsor, within the meaning of the FILOT Act) desires to provide for the acquisition and construction of the Project (as defined herein) to constitute a facility in the County for the manufacture of transformers and related products.

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

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

6. By enactment of an Ordinance on [\_\_\_\_], 2025, the County Council has authorized the County to enter into this Fee Agreement with the Company which classifies the Project as Economic Development Property under the FILOT Act and provides for the payment of fees in lieu of taxes and the

provision of Special Source Revenue Credits to reimburse the Company for payment of the cost of certain Infrastructure in connection with the Project, all as further described herein.

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

## ARTICLE I

### DEFINITIONS

#### Section 1.01    Definitions

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

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

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

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

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

***“Company”*** shall mean [\_\_\_\_\_, a \_\_\_\_\_], and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets; or any other person or entity which may succeed to the rights and duties of the Company.

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

***“Contract Minimum Investment Requirement”*** shall mean, with respect to the Project, investment by the Company and any Sponsor Affiliates of at least \$340,433,000 in Economic Development Property subject (non-exempt) to *ad valorem* taxation (in the absence of this Fee Agreement).

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

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

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



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

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

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

***“Credit Period”*** shall have the meaning given such term in Section 4.02(a) herein.

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

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

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

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

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

***“Enhanced Investment Period”*** shall mean the period beginning with the first day of any purchase or acquisition of Economic Development Property and ending eight (8) years after the Commencement Date.

***“Enhanced Minimum Investment Requirement”*** shall mean either (a) aggregate investment by the Company and any Sponsor Affiliates (to the extent permitted by the Act) in the Project of at least four hundred million dollars (\$400,000,000) or (b)(i) investment by the Company and any Sponsor Affiliates (to the extent permitted by the Act) in the Project of at least one hundred fifty million dollars (\$150,000,000) and (ii) creation of at least one hundred twenty-five (125) new, full-time jobs at the Project.

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

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

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

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

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

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

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

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

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

**“Investment Period”** shall mean, and shall be equal to, the Enhanced Investment Period, unless the provisions of Section 4.03(b) shall apply, in which case the Investment Period shall be equal to the Standard Investment Period.

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

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

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

**“MCIP Agreement”** shall mean the Multi-County Park Agreement dated as of [\_\_\_\_], 2025, as amended, between the County and Spartanburg County, South Carolina, as the same may be further amended or supplemented from time to time, or such other agreement as the County may enter with respect to the Project to offer the benefits of the Special Source Revenue Credits to the Company hereunder.

**“Partial Maintenance Shortfall Percentage”** shall mean a percentage equal to (i) the Contract Minimum Investment Requirement, less (ii) the investment in Economic Development Property maintained by the Company, together with any Sponsor Affiliates, in the Project with respect to a given property tax year during the Credit Period, divided by (iii) the Contract Minimum Investment Requirement.

**“Partial Shortfall Percentage”** shall mean a percentage equal to (i) the Contract Minimum Investment Requirement, less (ii) the actual amount invested in Economic Development Property by the Company, together with any Sponsor Affiliates, in the Project during the Investment Period, divided by (iii) the Contract Minimum Investment Requirement.

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

**“Project”** shall mean the Land and all the Equipment and Improvements that the Company determines to be necessary, suitable or useful for the purposes described in Section 2.02(b) hereof, to the extent determined by the Company and any Sponsor Affiliate to be a part of the Project and placed in service during the Investment Period, and any Replacement Property. Notwithstanding anything in this Fee Agreement to the contrary, the Project shall not include property which will not qualify for the FILOT pursuant to Section 12-44-110 of the FILOT Act, including without limitation property which has been subject to *ad valorem* taxation in the State prior to commencement of the Investment Period; provided, however, the Project may include (a) modifications which constitute an expansion of the real property portion of the Project and (b) the property allowed pursuant to Section 12-44-110(2) and (3) of the FILOT Act.

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

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

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

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

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

**“State”** shall mean the State of South Carolina.

**“Termination Date”** shall mean, with respect to each Phase of the Project, the end of the last day of the property tax year which is the [39<sup>th</sup>] year following the first property tax year in which such Phase of the Project is placed in service; provided, that the intention of the parties is that the Company will make at least [40] annual FILOT Payments under Article IV hereof with respect to each Phase of the Project; and provided further, that if this Fee Agreement is terminated earlier in accordance with the terms hereof, the Termination Date shall mean the date of such termination.

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

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

Section 1.02    Project-Related Investments

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

[End of Article I]

## ARTICLE II

### REPRESENTATIONS, WARRANTIES, AND AGREEMENTS

#### Section 2.01 Representations, Warranties, and Agreements of the County

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

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

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

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

(d) The millage rate set forth in Step 3 of Section 4.01(a) hereof is 373.6 mills, which is the millage rate in effect with respect to the location of the proposed Project as of June 30, 2024, as permitted under Section 12-44-50(A)(1)(d) of the FILOT Act.

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

#### Section 2.02 Representations, Warranties, and Agreements of the Company

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

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

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

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

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

[End of Article II]

## ARTICLE III

### COMMENCEMENT AND COMPLETION OF THE PROJECT

#### Section 3.01 The Project

(a) The Company intends and expects, together with any Sponsor Affiliate, to (i) construct and acquire the Project, (ii) meet the Enhanced Minimum Investment Requirement, and (iii) create approximately [698] new, full-time jobs (with benefits) within the Investment Period. The Company anticipates that the first Phase of the Project will be placed in service during the calendar year ending December 31, 20\_\_.

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

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

#### Section 3.02 Diligent Completion

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

#### Section 3.03 Filings and Reports

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

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

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

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

[End of Article III]

## ARTICLE IV

### FILOT PAYMENTS

#### Section 4.01 FILOT Payments

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

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

**Step 2:** Apply an assessment ratio of four percent (4.0 %) to the fair market value in Step 1 to establish the taxable value of the Economic Development Property (or each Phase of the Economic Development Property) in the year it is placed in service and in each of the [39] years thereafter or such longer period of years in which the FILOT Act and this Fee Agreement permit the Company and any Sponsor Affiliates to make annual FILOT Payments.

**Step 3:** Use a millage rate of 373.6 mills during the Exemption Period against the taxable value to determine the amount of the FILOT Payments due during the Exemption Period on the applicable payment dates.



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

#### Section 4.02 Special Source Credits

(a) In accordance with and pursuant to Section 12-44-70 of the FILOT Act and Section 4-1-175 of the MCIP Act, in order to reimburse the Company for qualifying capital expenditures incurred for costs of the Infrastructure during the Standard Investment Period, the Company shall be entitled to receive, and the County agrees to provide, annual Special Source Credits against the Company's FILOT Payments for a period of forty (40) consecutive years (the "Credit Period") commencing with the first such FILOT Payment made with respect to the Project. The property tax year with respect to which such first FILOT Payment is billed is hereafter referred to as "Year 1", and the succeeding property tax years during the Credit Period are referred to in the same manner with the appropriate year number designation (i.e., "Year 2", "Year 3", etc.). The Special Source Credits shall be equal to the following percentages of the FILOT Payments payable by the Company with respect to the Project hereunder (that is, with respect to investment made by the Company in the Project during the Investment Period) for the following years, calculated and applied after payment of the amount due the non-host county under the MCIP Agreement: sixty-five percent (65%) with respect to Years 1-5, sixty percent (60%) with respect to Years 6-10, fifty percent (50%) with respect to Years 11-20 and forty percent (40%) with respect to Years 21-40.

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

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

(d) In the event the Company, together with any Sponsor Affiliates, fails to meet the Contract Minimum Investment Requirement by the end of the Investment Period, but the Company, together with any Sponsor Affiliates, has otherwise invested at least one hundred fifty million dollars (\$150,000,000) in Economic Development Property comprising the Project by the end of the Investment Period, the Special Source Credits already received by the Company and any such Sponsor Affiliates shall be partially repaid,

and the remaining Special Source Credits to be applied during the Credit Period shall be reduced, as follows:

- i. The Company and all Sponsor Affiliates shall repay to the County the amount of the Special Source Credits previously received by them, multiplied by the Partial Shortfall Percentage (the "Partial Credit Recapture Amount"); and
- ii. The Special Source Credits to be applied during the remainder of the Credit Period shall be reduced by the Partial Shortfall Percentage.

By way of example only, if the Partial Shortfall Percentage is 50%, then the Partial Credit Recapture Amount would be equal to 50% of the Special Source Credits previously received, and the Special Source Credits during the remainder of the Credit Period would be reduced by half or 50% with respect to each year, such that what would otherwise have been applied as a 60% Special Source Credit would instead be applied as a 30% Special Source Credit, what would otherwise have been applied as a 50% Special Source Credit would instead be applied as a 25% Special Source Credit, and what would otherwise have been applied as a 40% Special Source Credit would instead be applied as a 20% Special Source Credit.

Any amounts determined to be owing pursuant to this subsection (d) shall be payable to the County on or before the one hundred twentieth (120th) day following the last day of the Enhanced Investment Period.

(e) In the event the Company, together with any Sponsor Affiliates, fails to invest at least one hundred fifty million dollars (\$150,000,000.00) in Economic Development Property comprising the Project during the Investment Period, then the Company and any Sponsor Affiliates shall repay the benefit of all Special Source Credits received and all Special Source Credits which would otherwise have been applied during the remainder of the Credit Period shall be lost entirely.

Any amount determined to be owing pursuant to this subsection (e) shall be payable to the County on or before the one hundred twentieth (120th) day following the last day of the Enhanced Investment Period.

(f) In the event that the Company, together with any Sponsor Affiliates, invests at least the Contract Minimum Investment Requirement in Economic Development Property comprising the Project during the Investment Period, but in any property tax year thereafter (the "Initial Maintenance Shortfall Year") fails to maintain at least the Contract Minimum Investment Requirement in Economic Development Property comprising the Project (without regard to depreciation) with respect to any year during the Credit Period, then the Special Source Credit to be applied with respect to such year and the remaining years in the Credit Period shall be reduced by the applicable Partial Maintenance Shortfall Percentage. In each property tax year following the Initial Maintenance Shortfall Year in which the investment of the Company, together with any Sponsor Affiliates, in the Project is further reduced from that existing with respect to the Initial Maintenance Shortfall Year (each a "Subsequent Maintenance Shortfall Year"), the Partial Maintenance Shortfall Percentage shall be recalculated based on the investment maintained by the Company and any Sponsor Affiliates in Economic Development Property in the Project in the applicable Subsequent Maintenance Shortfall Year, and the Special Source Credit to be applied with respect to such Subsequent Maintenance Shortfall Year and the remaining years in the Credit Period shall be further reduced by application of the recalculated Partial Maintenance Shortfall Percentage.

In the event that the Company, together with any Sponsor Affiliates, invests at least the Contract Minimum Investment Requirement in the Project during the Investment Period, but thereafter fails to maintain an investment in Economic Development Property comprising the Project (without regard to depreciation) of at least one hundred fifty million dollars (\$150,000,000.00), then the amount of the Special Source Credit with respect to such property tax year shall be reduced to 0% for the property tax year in which such failure occurs and thereafter for the remainder of the Credit Period.

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

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

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

#### Section 4.03 Failure to Achieve Minimum Investment Requirement

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

(b) In the event the Company, together with any Sponsor Affiliates, shall fail to meet the Enhanced Minimum Investment Requirement by the end of the Enhanced Investment Period, then beginning with the FILOT Payment due January 15 of the second (2<sup>nd</sup>) year following the final year of the Enhanced Investment Period, the FILOT Payments shall be prospectively computed in the manner set forth in Section 4.01(a) hereof, except that an assessment ratio of six percent (6%) shall be substituted for four percent (4%). Further, in such event, (A) the Company and any Sponsor Affiliates shall make, or cause to be made, payment to the County of (i) an amount equal to the difference between the FILOT Payments theretofore made by the Company and such Sponsor Affiliates with respect to the portions of the Project placed in service during the Standard Investment Period and the FILOT Payments which would have been

thereof due from the Company and such Sponsor Affiliates with respect to the Project had the assessment ratio been applied at six percent (6%), plus (ii) an amount equal to the Deficiency Amount with respect to the remaining portion of the Project (that is, the portion placed in service after the Standard Investment Period), with interest on such Deficiency Amount at the statutory rate for the late payment of *ad valorem* taxes, and (B) the Investment Period hereunder shall be deemed to be the Standard Investment Period. Any amounts determined to be owing pursuant to the foregoing sentence shall be payable to the County on or before the one hundred twentieth (120<sup>th</sup>) day following the last day of the Enhanced Investment Period.

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

#### Section 4.04 Removal of Equipment

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

#### Section 4.05 FILOT Payments on Replacement Property

If the Company or any Sponsor Affiliate elects to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Economic Development Property, or the Company or any Sponsor Affiliate otherwise utilizes Replacement Property, then, pursuant and subject to the provisions of Section 12-44-60 of the FILOT Act, the Company or such Sponsor Affiliate shall make statutory payments in lieu of *ad valorem* taxes with regard to such Replacement Property in accordance with the following:

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

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

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

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

[End of Article IV]

## ARTICLE V

### PARTICULAR COVENANTS AND AGREEMENTS

#### Section 5.01 Cessation of Operations

Notwithstanding any other provision of this Fee Agreement, each of the Company and any Sponsor Affiliates acknowledges and agrees that County's obligation to provide the FILOT incentive may end, and this Fee Agreement may be terminated by the County, at the County's sole discretion, if the Company ceases operations at the Project; provided, however, that the Special Source Credits provided for in this Fee Agreement shall automatically terminate if the Company ceases operations as set forth in this Section 5.01. For purposes of this Section, "ceases operations" means closure of the facility or the cessation of production and shipment of products to customers for a continuous period of twelve (12) months. The provisions of Section 4.03 hereof relating to retroactive payments shall apply, if applicable, if this Fee Agreement is terminated in accordance with this Section prior to the end of the Investment Period. Each of the Company and any Sponsor Affiliates agrees that if this Fee Agreement is terminated pursuant to this subsection, that under no circumstance shall the County be required to refund or pay any monies to the Company or any Sponsor Affiliates.

#### Section 5.02 Rights to Inspect

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

#### Section 5.03 Confidentiality

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

#### Section 5.04 Limitation of County's Liability

Anything herein to the contrary notwithstanding, any financial obligation the County may incur hereunder, including for the payment of money, shall not be deemed to constitute a pecuniary liability or

a debt or general obligation of the County (it being intended herein that any obligations of the County with respect to the Special Source Revenue Credits shall be payable only from FILOT Payments received from or payable by the Company or any Sponsor Affiliates); provided, however, that nothing herein shall prevent the Company from enforcing its rights hereunder by suit for *mandamus* or specific performance.

#### Section 5.05 Mergers, Reorganizations and Equity Transfers

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

#### Section 5.06 Indemnification Covenants

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

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

with any such claim or in connection with any action or proceeding brought thereon, and upon notice, the Company shall defend them in any such action or proceeding with legal counsel acceptable to the County (the approval of which shall not be unreasonably withheld); provided, however, that such indemnity shall not apply to the extent that any such claim is attributable to (i) the grossly negligent acts or omissions or willful misconduct of the County, its agents, officers or employees, or (ii) any breach of this Fee Agreement by the County.

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

#### Section 5.07 Qualification in State

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

#### Section 5.08 No Liability of County's Personnel

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

#### Section 5.09 Assignment, Leases or Transfers

The County agrees that the Company and any Sponsor Affiliates may at any time (a) transfer all or any of their rights and interests under this Fee Agreement or with respect to all or any part of the Project, or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing or other entity with respect to this Fee Agreement or all or any part of the Project, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such portion of the Project, whereby the transferee in any such arrangement leases the portion of the Project in question to the Company or any Sponsor Affiliate or operates such assets for the Company or any Sponsor Affiliate or is leasing the portion of the Project in question from the Company or any Sponsor Affiliate. In order to preserve the FILOT benefit afforded hereunder with respect to any portion of the Project so transferred, leased, financed, or otherwise affected: (i) except in connection with any transfer to an Affiliate of the Company or of any Sponsor Affiliate, or transfers, leases, or financing arrangements pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company and any Sponsor Affiliates, as applicable, shall obtain the prior consent or subsequent ratification of the County which consent or subsequent ratification may be granted by the County in its sole discretion; (ii) except when a financing entity which is the income tax owner of all or part of the Project is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company or any Sponsor Affiliate, as the case may be, hereunder, or when the County



consents in writing, no such transfer shall affect or reduce any of the obligations of the Company and any Sponsor Affiliates hereunder; (iii) to the extent the transferee or financing entity shall become obligated to make FILOT Payments hereunder, the transferee shall assume the then current basis of, as the case may be, the Company or any Sponsor Affiliates (or prior transferee) in the portion of the Project transferred; (iv) the Company or applicable Sponsor Affiliate, transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department a true and complete copy of any such transfer agreement; and (v) the Company, the Sponsor Affiliates and the transferee shall comply with all other requirements of the Transfer Provisions.

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

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

#### Section 5.10 Administration Expenses

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

#### Section 5.11 Priority Lien Status

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

#### Section 5.12 Interest; Penalties

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

#### Section 5.13 Sponsor Affiliates

The Company may designate from time to time any Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(20) and 12-44-130 of the FILOT Act, which Sponsor Affiliates shall join with the

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

[End of Article V]

## ARTICLE VI

### DEFAULT

#### Section 6.01 Events of Default

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

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

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

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

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

#### Section 6.02 Remedies Upon Default

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

(i) terminate this Fee Agreement; or

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

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

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

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

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

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

Section 6.03 Reimbursement of Legal Fees and Expenses and Other Expenses

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

Section 6.04 No Waiver

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

[End of Article VI]

**ARTICLE VII**  
**MISCELLANEOUS**

Section 7.01    Notices

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

If to the Company:

[ \_\_\_\_\_  
Attn: \_\_\_\_\_  
\_\_\_\_\_ ]

With a copy to:

[ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ ]

If to the County:

Union County  
Attn: County Administrator  
[ \_\_\_\_\_ ]  
Union, South Carolina [ \_\_\_\_\_ ]

With a copy to:

Union County Attorney  
[ \_\_\_\_\_ ]  
Union, South Carolina [ \_\_\_\_\_ ]

Section 7.02    Binding Effect

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

Section 7.03    Counterparts

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

Section 7.04    Governing Law

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

Section 7.05    Headings

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

Section 7.06    Amendments

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

Section 7.07    Further Assurance

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

Section 7.08    Invalidity; Change in Laws

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

Section 7.09    Termination by Company

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

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

Section 7.10    Entire Understanding

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

Section 7.11    Waiver

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

Section 7.12    Business Day

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

[End of Article VII]

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

**UNION COUNTY, SOUTH CAROLINA**

(SEAL)

By: \_\_\_\_\_  
Chairman of County Council

By: \_\_\_\_\_  
County Administrator

**ATTEST:**

\_\_\_\_\_  
Clerk to County Council of  
Union County, South Carolina

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



\_\_\_\_\_ ]

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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

**EXHIBIT A**

**LEGAL DESCRIPTION**

**[Insert legal description here]**

**EXHIBIT B**

**INVESTMENT CERTIFICATION**

I \_\_\_\_\_, the \_\_\_\_\_ of \_\_\_\_\_ (the "*Company*"), do hereby certify in connection with Section 4.03 of the Fee in Lieu of Tax and Special Source Credit Agreement dated as of [\_\_\_\_], 2025 between Union County, South Carolina and the Company (the "*Agreement*"), as follows:

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

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

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

**IN WITNESS WHEREOF**, I have set my hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

[\_\_\_\_\_] \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT C**

**INFRASTRUCTURE INVESTMENT CERTIFICATION**

I \_\_\_\_\_, the \_\_\_\_\_ of \_\_\_\_\_ (the "*Company*"), do hereby certify in connection with Section 4.02 of the Fee in Lieu of Tax and Special Source Credit Agreement dated as of [\_\_\_\_], 2025 between Union County, South Carolina and the Company (the "*Agreement*"), as follows:

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

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

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

<u>Personal Property Description</u>	<u>Investment Amount</u>
--------------------------------------	--------------------------

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

**IN WITNESS WHEREOF**, I have set my hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

[\_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

STATE OF SOUTH CAROLINA	)	
	)	AGREEMENT FOR DEVELOPMENT OF
COUNTY OF UNION	)	JOINT COUNTY INDUSTRIAL AND
	)	BUSINESS PARK (2025 PARK)
COUNTY OF SPARTANBURG	)	

**THIS AGREEMENT** for the development of a joint county industrial and business park to be located in Union County, South Carolina ("Union County") and Spartanburg County, South Carolina ("Spartanburg County"), dated as of [\_\_\_\_], 2025, is made and entered into by and between Union County and Spartanburg County (collectively, the "Counties"), both political subdivisions of the State of South Carolina, pursuant to Article VIII, Section 13 of the South Carolina Constitution and Section 4-1-170, Code of Laws of South Carolina 1976, as amended (collectively, the "Act").

**RECITALS**

**WHEREAS**, the Counties have determined that, in order to promote economic development and thus provide additional employment opportunities, and to increase the tax bases of the Counties, there should be established a Joint County Industrial and Business Park (2025) in the Counties (the "Park"), which Park shall be in addition to all previous joint county industrial and business parks previously established between the Counties; and

**WHEREAS**, as a consequence of the establishment of the Park, property therein shall be exempt from *ad valorem* taxation, during the term of this Agreement, but the owners or lessees of such property shall pay annual fees during that term in an amount equal to that amount of *ad valorem* taxes for which such owner or lessee would be liable except for such exemption.

**NOW, THEREFORE**, in consideration of the mutual agreement, representations and benefits contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. **Binding Agreement.** This Agreement serves as a written instrument setting forth the entire agreement between the parties and shall be binding on the Counties, their successors and assigns.

2. **Authorization.** Article VIII, Section 13(d), of the Constitution of South Carolina provides that counties may jointly develop an industrial and business park with other counties within the geographical boundaries of one or more of the member counties, provided that certain conditions specified therein are met and further provided that the General Assembly of the State of South Carolina provides by law a means by which the value of property in such park will be considered for purposes of bonded indebtedness of political subdivisions and school districts and for purposes of computing the index of taxpaying ability for school districts. Section 4-1-170, Code of Laws of South Carolina, 1976, as amended, satisfies the conditions imposed by Article VIII, Section 13(d), of the Constitution and provides the statutory vehicle whereby a joint county industrial and business park may be created.

3. **Location of the Park.**

(A) As of the date of this Agreement, the Park consists of property located in Union County, as is hereinafter more specifically described in Exhibit A hereto. It is specifically recognized that the Park may from time to time consist of non-contiguous properties. The boundaries of the Park may be enlarged or diminished from time to time as authorized by ordinances of both of the Counties.

(B) In the event of any enlargement or diminution of the boundaries of the Park, this Agreement shall be deemed amended and there shall be attached hereto a revised Exhibit A which shall contain a description of the properties located in the Park, as enlarged or diminished, together with a copy of the ordinances of Union County Council and Spartanburg County Council pursuant to which such enlargement or diminution was authorized.

(C) Prior to the enactment by Union County Council and by Spartanburg County Council of ordinances authorizing the diminution of the boundaries of the Park, separate public hearings shall first be held by Union County Council and by Spartanburg County Council. Notice of such public hearing shall be published in a newspaper of general circulation in Union County and Spartanburg County, respectively, at least once and not less than fifteen (15) days prior to such hearing.

4. **Fee-in-Lieu of Taxes.** Property located in the Park shall be exempt from *ad valorem* taxation during the term of this Agreement. The owners or lessees of any property situated in the Park shall pay in accordance with and during the term of this Agreement an amount equivalent to the *ad valorem* property taxes or other in-lieu of payments that would have been due and payable but for the location of such property within the Park. Where, in this Agreement, reference is made to payment of *ad valorem* property taxes or other in-lieu of payments, such reference shall be construed, in accordance with this Section 4, to mean the *ad valorem* property taxes or other in-lieu of payments that would otherwise have been due to be paid to Union County, after deduction of all applicable allowances, credits, deductions, and exemptions authorized or required by state law.

5. **Allocation of Park Expenses.** The Counties shall bear expenses, including, but not limited to, development, operation, maintenance and promotion of the Park in the following proportions:

If property is located in Union County:

A.	Union County	100%
B.	Spartanburg County	0%

If property is located in Spartanburg County:

A.	Union County	0%
B.	Spartanburg County	100%

6. **Allocation of Park Revenues.** The Counties shall receive an allocation of all revenue generated by the Park through payment of fees-in-lieu of *ad valorem* property taxes or from any other source in the following proportions:

If property is located in Union County:

- |    |                    |     |
|----|--------------------|-----|
| A. | Union County       | 99% |
| B. | Spartanburg County | 1%  |

Any payment by Union County to Spartanburg County of its allocable share of the fees-in-lieu of taxes from the Park as set forth above shall be made not later than ten (10) business days after the end of the calendar quarter in which Union County receives such payment from the occupants of the Park. In the event that the payment made by any occupant of a Park is made under protest or is otherwise in dispute, Union County shall not be obligated to pay to Spartanburg County more than Spartanburg County's share of the undisputed portion thereof until thirty (30) days after the final resolution of such protest or dispute.

If property is located in Spartanburg County:

- |    |                    |     |
|----|--------------------|-----|
| A. | Union County       | 1%  |
| B. | Spartanburg County | 99% |

Any payment by Spartanburg County to Union County of its allocable share of the fees-in-lieu of taxes from the Park shall be made not later than ten business (10) days after the end of the calendar quarter in which Spartanburg County receives such payment from the occupants of the Park. In the event that the payment made by any occupant of a Park is made under protest or is otherwise in dispute, Spartanburg County shall not be obligated to pay to Union County more than Union County's share of the undisputed portion thereof until thirty (30) days after the final resolution of such protest or dispute.

7. **Revenue Allocation Within Each County.** Revenues generated by the Park through the payment of fees-in-lieu of *ad valorem* property taxes shall be distributed to the Counties according to the proportions established by Paragraph 6. Such revenues shall be distributed within Union County and Spartanburg County in the manner directed by the respective ordinances enacted by such counties relating to the Park or such distribution from time to time, including, but not limited to, the allocation of the revenues such counties receive and retain from the Park for the payment of special source revenue bonds, provision of special source credits or payments, or other permitted uses of such revenues.

8. **Fees-in-Lieu of Taxes Pursuant to Code of Laws of South Carolina.** It is hereby agreed that the entry by Union County or Spartanburg County into any one or more negotiated fee-in-lieu of tax agreements or infrastructure (special source revenue credit) agreements pursuant to Titles 4 or 12, South Carolina Code, 1976, as amended, or any successor or comparable statutes, with respect to property located within the Park and the terms of such agreements shall be at the sole discretion of Union County and Spartanburg County, respectively.

9. **Assessed Valuation.** For the purpose of calculating the bonded indebtedness limitation of the political subdivisions and overlapping tax districts which levy taxes in the park property described in Exhibit A, and for the purpose of computing the index of taxpaying ability of any applicable school districts located in either of the Counties pursuant to Section 59-20-20(3), Code of Laws of South Carolina 1976, as amended, allocation of the assessed value of property within the Park to Union County and Spartanburg County and to each of the taxing entities within the Counties shall be identical to the percentage established for the allocation of revenue received and retained by the Counties and by each of the participating taxing entities therein pursuant to Paragraphs 6 and 7 respectively and any ordinance enacted by Union County or Spartanburg County which provides for the allocation or distribution of such revenue, subject, however, to the provisions of Section 4-29-68(E) of the Code of Laws of South Carolina, 1976, or any successor legislation.

10. **Ordinance and Law Enforcement Jurisdiction.** The ordinances of Union County and Spartanburg County, and any applicable municipality, concerning zoning, health and safety regulations, and building code requirements will apply for the respective portions of the Park in Union County and Spartanburg County. Furthermore, the Sherriff's Departments of Union County and Spartanburg County as well as any police department of any applicable municipality will have jurisdiction to make arrests and exercise all authority and power within the boundaries of the respective portions of the Park in Union County and Spartanburg County.

10. **Records.** The Counties covenant and agree that, upon the request of either, the other will provide to the requesting party copies of the records of the annual tax levy and copies of the actual tax bills, for parcels of property encompassed by this Agreement, and will further provide copies of the County Treasurer's collection records for the taxes so imposed, all as such records become available in the normal course of County procedures. It is further agreed that none of the parties shall request such records from any other party more frequently than once annually, absent compelling justification to the contrary.

11. **Severability.** In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Agreement.

12. **Termination.** Notwithstanding any provision of this Agreement to the contrary, Union County and Spartanburg County agree that this Agreement may not be terminated by either party for a period of fifty (50) years commencing with the effective date hereof.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK  
SIGNATURE PAGES FOLLOW**



WITNESS our hands and seals as of this \_\_\_ day of \_\_\_\_\_, 2025.

UNION COUNTY, SOUTH CAROLINA

By:

\_\_\_\_\_  
County Supervisor  
Union County, South Carolina

(SEAL)

ATTEST:

\_\_\_\_\_  
Clerk to County Council  
Union County, South Carolina

WITNESS our hands and seals as of this \_\_ day of \_\_\_\_\_, 2025.

SPARTANBURG COUNTY, SOUTH CAROLINA

By:

\_\_\_\_\_  
County Administrator  
Spartanburg County, South Carolina

(SEAL)

ATTEST:

\_\_\_\_\_  
Clerk to County Council  
Spartanburg County, South Carolina

Exhibit A

Park Property

The Park is comprised of the following parcel(s):

Union County Property

[TO COME – PROJECT PANAMA]

Spartanburg County Property

None.

ORDINANCE NO.

AN ORDINANCE AUTHORIZING THE TERMINATION OF THAT CERTAIN WRITTEN AGREEMENT WITH UNION COUNTY FOR THE DEVELOPMENT OF A JOINTLY OWNED AND OPERATED INDUSTRIAL/BUSINESS PARK, SUCH INDUSTRIAL/BUSINESS PARK GEOGRAPHICALLY LOCATED IN SPARTANBURG COUNTY AND THE CITY OF SPARTANBURG AND ESTABLISHED PURSUANT TO SOUTH CAROLINA CODE OF LAWS OF 1976, §4-1-170, *et. seq.*, AS AMENDED AND OTHER MATTERS RELATING THERETO.

WHEREAS, Union County, South Carolina ("Union County") and Spartanburg County, South Carolina ("Spartanburg County") (jointly, the "Counties") have heretofore entered into an agreement (the "Park Agreement") to develop jointly an Industrial and Business Park (the "Park"), wholly within the City of Spartanburg (the "City") and Spartanburg County, as provided by Article VIII, §13 of the South Carolina Constitution and in accordance with §4-1-170 of the Code of Laws of South Carolina, 1976, as amended (the "Act"); and,

WHEREAS, the City and Spartanburg County have heretofore entered into an Intergovernmental Agreement (the "Intergovernmental Agreement") relating to the Park; and,

WHEREAS, the Park Agreement and the Intergovernmental Agreement each originally had terms of twenty-three (23) years; and,

WHEREAS, the City and Spartanburg County, with the consent of Union County, previously amended the Park Agreement and the Intergovernmental Agreement to provide for terms of twenty-eight (28) years for each;

WHEREAS, purposes of the park have now been accomplished and the City and Spartanburg County, with consent of Union County, now desire to terminate the Park Agreement and the Intergovernmental Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE UNION COUNTY COUNCIL:

Section 1. Union County is hereby authorized to execute and deliver the Termination to that written Park Agreement and to remove the property described in Schedule I attached hereto (the "Property"). Accordingly, upon enactment of a corresponding ordinance of approval by Spartanburg County Council and upon execution by the Counties of the Termination to the Park Agreement the properties shall revert to ad valorem taxation.

Section 2. The form, terms, and provisions of the Termination to the Park Agreement are hereby approved and all of the terms, provisions, and conditions thereof are hereby incorporated herein by reference as if those two Terminations were set out in this Ordinance in their entirety, The Administrator of the County be and he is hereby authorized, empowered, and directed to execute, acknowledge, and deliver the Termination to the Park Agreement and the Termination to the Intergovernmental Agreement in the name and on behalf of Union County. The Termination to the Park Agreement is to be in substantially the form now before this meeting and hereby

approved, or with such minor changes therein as shall be approved by the officials of Union County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Termination to the Park Agreement now before this meeting.

Section 3. Should any section of this Ordinance be, for any reason, held void or invalid, it shall not affect the validity of any other section hereof which is not itself void or invalid.

Section 4. The Park Agreement provides that it may not be terminated except by concurrent ordinances of Union County Council and Spartanburg County Council, in accordance with the terms of the Park Agreement, as amended. Therefore, in accordance with the terms of the Park Agreement and the Intergovernmental Agreement, this ordinance is to serve as the Union County ordinance to terminate the Park Agreement.

Section 5. All ordinances and resolutions of Union County inconsistent herewith are, to the extent of such inconsistency, only, hereby repealed, revoked, and rescinded.

Section 6. This ordinance shall be effective after 3<sup>rd</sup> and final reading and approval by Union County Council

[Remainder of page intentionally left blank]

ENACTED this \_\_\_\_ day of January, 2025.

**UNION COUNTY, SOUTH CAROLINA**

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Union County Administrator

Attest:

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Clerk to County Council

1st Reading:

2nd Reading:

3rd Reading:

Public Hearing:

**SCHEDULE I**

**PROPERTY**

1. ALL that lot or parcel of land known as Hillcrest Mall in the City and County of Spartanburg, State of South Carolina, located on East Main Street, and being shown on the County Block Map as follows:

Block Map Sheet 7-08-14, parcel 076.00

Block Map Sheet 7-08-14, parcel 076.01

Block Map Sheet 7-08-14, parcel 076.02

Block Map Sheet 7-08-14, parcel 076.03

Block Map Sheet 7-08-14, parcel 076.04

Block Map Sheet 7-08-14, parcel 076.05

Block Map Sheet 7-08-14, parcel 076.06

Block Map Sheet 7-08-14, parcel 124.00

Block Map Sheet 7-08-14, parcel 124.01

Block Map Sheet 7-09-00, parcel 011.02

Block Map Sheet 7-09-14, parcel 096.00

Block Map Sheet 7-09-14, parcel 096.01

Block Map Sheet 7-09-14, parcel 096.03

Block Map Sheet 7-09-14, parcel 096.04

Block Map Sheet 7-09-14, parcel 096.05

Block Map Sheet 7-09-14, parcel 096.06

Block Map Sheet 7-09-14, parcel 096.07

Block Map Sheet 7-09-14, parcel 096.08

Block Map Sheet 7-09-15, parcel 046.00

Block Map Sheet 7-09-15, parcel 047.00

Block Map Sheet 7-09-15, parcel 048.00

Block Map Sheet 7-12-03, parcel 047.00

Block Map Sheet 7-12-03, parcel 047.01

Block Map Sheet 7-12-03, parcel 047.02

Block Map Sheet 7-12-03, parcel 047.03

Block Map Sheet 7-12-03, parcel 047.04

Block Map Sheet 7-12-03, parcel 047.05  
Block Map Sheet 7-12-06, parcel 005.00  
Block Map Sheet 7-12-09, parcel 342.00  
Block Map Sheet 7-12-12, parcel 124.00  
Block Map Sheet 7-12-15, parcel 268.00  
Block Map Sheet 7-13-01, parcel 036.00  
Block Map Sheet 7-16-02, parcel 295.00  
Block Map Sheet 7-16-02, parcel 295.01  
Block Map Sheet 7-16-02, parcel 295.04  
Block Map Sheet 7-17-06, parcel 004.00  
Block Map Sheet 7-17-14, parcel 046.00  
Block Map Sheet 7-17-14, parcel 052.00  
Block Map Sheet 7-17-14, parcel 052.01  
Block Map Sheet 7-17-14, parcel 052.02  
Block Map Sheet 7-17-14, parcel 052.03  
Block Map Sheet 7-17-14, parcel 052.04  
Block Map Sheet 7-17-14, parcel 052.05