

CLARENDON COUNTY)
STATE OF SOUTH CAROLINA)

ORDNINANCE NO. 2010-12

AUTHORIZING PURSUANT TO TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU OF TAX AGREEMENT, BY AND BETWEEN CLARENDON COUNTY, SOUTH CAROLINA, AND [PROJECT PEGASUS], AS SPONSOR, AND ONE OR MORE SPONSOR AFFILIATES, TO PROVIDE FOR A FEE-IN-LIEU OF *AD VALOREM* TAXES INCENTIVE; TO PROVIDE FOR THE "MANUFACTURER'S ABATEMENT"; AND OTHER RELATED MATTERS.

WHEREAS, Clarendon County ("County"), a public body corporate and politic under the laws of the State of South Carolina desires to enter into a Fee Agreement (defined below) with [Project Pegasus] ("Company"), as sponsor, and, if applicable, one or more sponsor affiliates (each, "Sponsor Affiliate"), to provide for payments of fees-in-lieu of ad valorem taxes ("FILOT" Payments) for a project qualifying under the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended ("Act");

WHEREAS, the County and the Company desire to enter into a Fee Agreement (as defined in the Act), concerning the establishment of a manufacturing facility in the County, which will consist of certain land, plant and buildings, and other improvements and machinery, apparatuses, equipment, and other personal property for the purpose of creating a manufacturing facility and related activities (all of which constitute a project under the Act, collectively, "Project");

WHEREAS, the Project is expected to provide significant economic benefits to the County and surrounding areas;

WHEREAS, to induce the Company to locate the Project in the County, the County intends to charge FILOT Payments with respect to the Project and otherwise make available to the Company the benefits intended by the Act;

WHEREAS, the County intends that this Ordinance serve as the official action to identify the Project, for purposes of applicable fee-in-lieu of taxes statutes and otherwise;

WHEREAS, Clarendon County Council ("County Council") has caused to be prepared and presented to this meeting the form of a Fee Agreement between the County and the Company, a copy of which is attached as Exhibit A; and

WHEREAS, as further inducement to the Company, the County has agreed to include the Project in one or more multi-county business or industrial parks as provided for by Section 4-1-170 of the Code of Laws of South Carolina 1976, as amended, and Article VIII, Section 13 of the Constitution of the State of South Carolina of 1895, as amended (collectively, "MCIP Law") as well as the use of a County-based job-creation credit.

THE COUNTY COUNCIL OF CLARENDON COUNTY, SOUTH CAROLINA, ORDAINS:

Section 1. Pursuant to the Act, particularly Section 12-44-40(H) and (I), based on information provided by the Company, the County Council makes the following findings:

CERTIFIED TRUE COPY
OF ORIGINAL FILED IN THIS OFFICE
DATE 11/9/10
Beulah B. Roberts
CLERK OF COURT
CLARENDON COUNTY, SC

- (a) The Project constitutes a “project” as that term is referred to and defined in Section 12-44-30 of the Act;
- (b) It is anticipated that the Project will benefit the general public welfare of the County by providing services, employment and other public benefits not otherwise adequately provided locally;
- (c) The purposes to be accomplished by the Project are proper governmental and public purposes;
- (d) It is anticipated that the cost of planning, designing, constructing and expanding the Project will require expenditures of not less than \$5 million and provide for the creation of 100 jobs;
- (e) The benefits of the Project to the public are greater than the costs to the public;
- (f) Neither the Project nor any documents or agreements entered into by the County in connection therewith will give rise to any pecuniary liability of the County or incorporated municipality or to any charge against its general credit or taxing power; and
- (g) Having evaluated the purposes to be accomplished by the Project as proper governmental and public purposes, the anticipated dollar amount and nature of the investment to be made, and the anticipated costs and benefits to the County, the County has determined that the Project is properly classified as economic development property.

Section 2. The form and terms of the Fee Agreement, as Exhibit A, that is before this meeting is approved and all of the Fee Agreement’s terms are incorporated in this Ordinance by reference as if the Fee Agreement was set out in this Ordinance in its entirety. The Fee Agreement provides the Company with an assessment ratio of 6% and a floating millage rate for the life of the agreement.

Section 3. Pursuant to Section 12-44-130 of the Act, the Company may request the addition of one or more Sponsor Affiliates to the Fee Agreement. Following each request, if the proposed Sponsor Affiliate agrees to be bound by the Fee Agreement, then following approval of the proposed Sponsor Affiliate by subsequent County Council resolution, the proposed Sponsor Affiliate shall be eligible for the benefits under, and become a party to, the Fee Agreement.

Section 4. The consummation of all transactions contemplated by the Fee Agreement is approved.

Section 5. The Chairman of the County Council is authorized and directed to execute the Fee Agreement, which has the applicable County protections and clawbacks and which otherwise reflects the terms of this Ordinance with other terms that are typical for these types of transactions in the County, subject to the approval of any revisions, which are not materially adverse to the County, by the County Administrator and the County Attorney, and the Clerk of the County Council is authorized and directed to attest the Fee Agreement; and the County Administrator is further authorized and directed to deliver the Agreement to the Company.

Section 6. The County Administrator (and his designated appointees) is authorized and directed, in the name of and on behalf of the County, to take whatever further actions and execute whatever further documents as the County Administrator (and his designated appointees) deems to be reasonably necessary and prudent to effect the intent of this Ordinance.

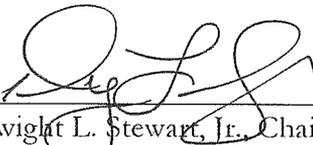
Section 7. The provisions of this Ordinance are separable. If any part of this Ordinance is, for any reason, unenforceable then the validity of the remainder of this Ordinance is unaffected.

Section 8. Any prior ordinance, resolution or order, the terms of which are in conflict with this Ordinance, is, only to the extent of that conflict, repealed.

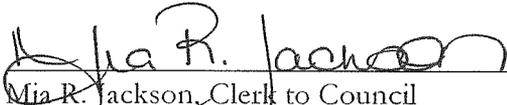
Section 9. This Ordinance is effective after its third reading and public hearing.

CLARENDON COUNTY, SOUTH CAROLINA





Dwight L. Stewart, Jr., Chairman
Clarendon County Council



Mia R. Jackson, Clerk to Council
Clarendon County Council

First Reading: September 13, 2010
Second Reading: October 11, 2010
Public Hearing: October 11, 2010
Third Reading: November 8, 2010

EXHIBIT A
FORM OF FEE AGREEMENT