

## TABLE OF CONTENTS

### Page

ARTICLE I	DEFINITIONS .....	2
Section 1.01.	Definitions .....	2
Section 1.02.	References to Agreement.....	8
ARTICLE II	REPRESENTATIONS AND WARRANTIES .....	8
Section 2.01.	Representations and Warranties by County .....	8
Section 2.02.	Representations and Warranties by the Company .....	9
ARTICLE III	COVENANTS OF COUNTY .....	10
Section 3.01.	Agreement to Accept Negotiated FILOT Payments .....	10
Section 3.02.	Special Source Credits .....	10
Section 3.03.	Multi-County Park Designation.....	10
Section 3.04.	Commensurate Benefits .....	11
ARTICLE IV	COVENANTS OF COMPANY .....	11
Section 4.01.	Investment in Project. ....	11
Section 4.02.	Failure to Satisfy Minimum Special Source Credits Jobs Requirement .....	13
Section 4.03.	Payment of Administration Expenses.....	14
Section 4.04.	Use of Project for Lawful Activities .....	15
Section 4.05.	Maintenance of Existence .....	15
Section 4.06.	Records and Reports .....	16
Section 4.07.	Funding for Special Source Improvements.....	17
ARTICLE V	FEES IN LIEU OF TAXES .....	17
Section 5.01.	Payment of Fees in Lieu of Ad Valorem Taxes.....	17
Section 5.02.	Statutory Lien .....	22
ARTICLE VI	THIRD PARTY ARRANGEMENTS.....	22
Section 6.01.	Conveyance of Liens and Interests; Assignment .....	22
Section 6.02.	Sponsors and Sponsor Affiliates.....	23
ARTICLE VII	TERM; TERMINATION .....	23
Section 7.01.	Term.....	23
Section 7.02.	Termination.....	23
ARTICLE VIII	EVENTS OF DEFAULT AND REMEDIES .....	23
Section 8.01.	Events of Default .....	23
Section 8.02.	Remedies on Event of Default .....	24
Section 8.03.	Defaulted Payments .....	25
Section 8.04.	Default by County.....	25

**TABLE OF CONTENTS**  
**(continued)**

		<b>Page</b>
ARTICLE IX	MISCELLANEOUS.....	25
	Section 9.01. Rights and Remedies Cumulative.....	25
	Section 9.02. Successors and Assigns .....	25
	Section 9.03. Notices; Demands; Requests .....	25
	Section 9.04. Applicable Law.....	26
	Section 9.05. Entire Understanding .....	26
	Section 9.06. Severability .....	27
	Section 9.07. Headings and Table of Contents; References .....	27
	Section 9.08. Multiple Counterparts .....	27
	Section 9.09. Amendments .....	27
	Section 9.10. Waiver.....	27
	Section 9.11. Further Proceedings .....	27
	Section 9.12. Indemnification Covenants .....	27
	Section 9.13. No Liability of County Personnel .....	28
	Section 9.14. Limitation of Liability .....	28
EXHIBIT A	LAND DESCRIPTION.....	A-1
EXHIBIT B	FORM OF JOINDER AGREEMENT.....	B-1
EXHIBIT C	FORM OF ANNUAL SPECIAL SOURCE CREDIT CERTIFICATION .....	C-1

## FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

THIS FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (“Agreement”) dated as of February 21, 2023, by and between CHESTER COUNTY, SOUTH CAROLINA (“County”), a body politic and corporate and a political subdivision of the State of South Carolina, IKO GLASS FIBER INC., and IKO MAT TECH INC., previously identified as Project Phoenix22, acting for themselves, one or more affiliates, and/or other project sponsors (“Company”);

### W I T N E S S E T H:

WHEREAS, Chester County, South Carolina (“County”), acting by and through its County Council (“County Council”), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (“Code”), particularly Title 12, Chapter 44 of the Code (“Negotiated FILOT Act”); and Title 4, Chapter 1 of the Code (“Multi-County Park Act,” or as to Section 4-1-175 thereof, and, by incorporation, Section 4-29-68 of the Code, “Special Source Act”) (collectively, “Act”) and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (“State”) will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax (“FILOT”) payments, including, but not limited to, negotiated FILOT (“Negotiated FILOT”) payments made pursuant to the Negotiated FILOT Act, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments (“Special Source Credits”) to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County (“Special Source Improvements”); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park (“Multi-County Park”) in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, IKO Glass Fiber Inc. and IKO Mat Tech Inc., previously identified as Project Phoenix22, each acting for themselves, one or more current or future affiliates, and other project sponsors (collectively, “Company”), propose to invest in, or cause others to invest in, the acquisition, improvement and equipping of certain facilities to be operated primarily for manufacturing facilities, at one or more locations in the County (“Project”) and anticipates that, should its plans proceed as expected, the Project will generate aggregate investment in the County of approximately \$363,300,000 and expects to create, or cause to be created, approximately 180 new jobs at the Project; and

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

WHEREAS, in accordance with such findings and determinations, and in order to induce the Company to locate the Project in the County, the County Council adopted a Resolution on January 17, 2023 (“Inducement Resolution”), whereby the County identified the Project as a “project” within the meaning of the Act, and agreed to provide the benefits of a negotiated FILOT, a multi-county industrial or business

park, and Special Source Credits with respect to the Project, the terms of all of which are set forth in greater detail in this Agreement; and

WHEREAS, based on information provided to the County by the Company, the County has determined that it is in the best interests of the County to enter into this Agreement with the Company, subject to the terms and conditions set forth herein and, by Ordinance No. 2023-1 enacted by the County Council on February 21, 2023, approved the form, terms and conditions of this Agreement and ratified all prior actions taken with respect to the Project.

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

## DEFINITIONS

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

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

“*Administration Expenses*” shall mean the reasonable and necessary expenses incurred by the County in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions, including reasonable and necessary attorney’s fees under arrangements which are standard for the applicable legal services to the County, but excluding any expenses incurred by the County in defending either challenges to the incentives provided herein by third parties or suits brought by the Company or any other Co-Investor under **Section 8.04** hereof; provided, however, that no such expense shall be considered an Administration Expense unless the Company, or other Co-Investor, required to pay such expense hereunder, shall have first agreed, prior to the County incurring such expense, as to the maximum amount thereof or as to the basis for which such expenses will be incurred, and the County shall have furnished to such Company, or such other Co-Investor, as the case may be, a general statement of all such expenses incurred, provided, further, the County shall not be required to provide an itemized statement of legal fees and/or expenses.

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

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

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

“*Co-Investor*” shall mean the Company, any other Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(19) and (20) of the Negotiated FILOT Act. As of the date of the original execution and delivery of this Agreement, the Company is the only Co-Investor.

“*Company*” shall mean IKO Glass Fiber Inc. and IKO Mat Tech Inc., previously identified as Project Phoenix22, and any surviving, resulting, or transferee entity in any merger, consolidation or transfer of assets permitted under **Sections 4.05** or **6.01** hereof or any other assignee hereunder which is designated by the Company and approved by the County.

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

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

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

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

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

“*Enhanced Investment FILOT Compliance Period*” shall mean the period commencing with the first day that Negotiated FILOT Property is purchased or acquired, whether before or after the date of this Agreement, and ending on the eighth anniversary of the end of the Property Tax Year in which the initial Negotiated FILOT Property comprising all or a portion of the Project is placed in service, all as specified in Section 12-44-30(13) of the Negotiated FILOT Act. It is presently anticipated, but not required that the initial Negotiated FILOT Property comprising all or a portion of the Project will be placed in service in the Property Tax Year ending on December 31, 2023, and, in such event, the Enhanced Investment FILOT Compliance Period will end on December 31, 2031.

“*Enhanced Investment FILOT Minimum Requirement*” shall mean either (a) investment in the Project of at least \$150,000,000 (without regard to depreciation or other diminution in value) and creation of at least 125 new full-time jobs at the Project within the Enhanced Investment FILOT Compliance Period; or alternatively (b) investment in the Project of at least \$400,000,000 (without regard to depreciation or other diminution in value) within the Enhanced Investment FILOT Compliance Period, in accordance with Section 12-44-30(7) of the Negotiated FILOT Act.

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

“*Existing Property*” shall mean property which will not qualify for the Negotiated FILOT pursuant to Section 12-44-110 of the Negotiated FILOT Act, including without limitation property which has been subject to *ad valorem* taxes in the State prior to commencement of the Investment Period and property included in the Project as part of the repair, alteration, or modification of such previously taxed property;

provided, however, that Existing Property shall not include: (a) the Land; (b) property acquired or constructed by or on behalf of the Company or any other Sponsor or Sponsor Affiliate during the Investment Period which has not been placed in service in this State prior to the commencement of the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property, or property which has been placed in service in the State pursuant to an inducement agreement or other preliminary approval by the County, including the Inducement Resolution, prior to execution of this Agreement pursuant to Section 12-44-40(E) of the Negotiated FILOT Act, which property shall qualify as Negotiated FILOT Property; (c) property purchased by or on behalf of the Company or any other Sponsor or Sponsor Affiliate during the Investment Period in a transaction other than between any of the entities specified in Section 267(b) of the Internal Revenue Code, as defined under Chapter 6 of Title 12 of the Code as of the time of the transfer, to the extent that the Company or such other Sponsor or Sponsor Affiliate invests at least an additional \$45,000,000 in the Project, exclusive of the property identified in this subsection (c); or (d) modifications which constitute an expansion of the real property portion of Existing Property.

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

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

“*Investment Period*” shall mean the period for completion of the Project, which shall equal the Enhanced Investment FILOT Compliance Period, as provided by the Act, however, if the Company meets the Enhanced Investment FILOT Minimum Requirement of \$150,000,000 within the Enhanced Investment FILOT Compliance Period, then the County agrees to consider approving the Company’s request for an extension of the Investment Period, which extension may be approved by resolution of the County Council.

In the event that the initial Negotiated FILOT Property comprising all or a portion of the Project is, as presently anticipated, placed in service in the Property Tax Year ending on December 31, 2023, upon any such extension, the Investment Period will end, unless extended, on December 31, 2031.

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

“*Minimum Contract Investment Requirement*” shall mean the investment of at least \$327,000,000 on the Land and in the County, by the Company and all Co-Investors, in the aggregate, within the period commencing on January 1, 2023, and ending at the end of the Enhanced Investment FILOT Compliance Period.

“*Minimum Special Source Credits Jobs Requirement*” shall mean the creation of at least 162 new, full-time jobs in the County by the Company and all Co-Investors, in the aggregate, within the period commencing on January 1, 2023, and ending at the end of the Enhanced Investment FILOT Compliance Period.

“*Multi-County Park*” shall mean the multi-county industrial or business park established pursuant to the Multi-County Park Act and the Multi-County Park Agreement, and any multi-county industrial or

business park which now or hereafter includes the Project and which is designated by the County as such pursuant to any agreement, which supersedes or replaces the initial Multi-County Park Agreement.

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

*“Multi-County Park Agreement”* shall mean that certain Master Agreement governing the York-Chester Industrial Park by and between the County and York County, South Carolina dated as of December 31, 2012 as supplemented, modified or amended, and, as such agreement may be further supplemented, modified, amended, or replaced from time to time.

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

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

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

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

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

*“Project”* shall mean: (i) the Land and all buildings, structures, fixtures and other real property improvements now or hereafter constructed on the Land; (ii) all machinery, equipment, furnishings and other personal property now or hereafter acquired by or on behalf of the Company or any other Co-Investors for use on or about the Land; and (iii) any Replacement Property; provided, however, except as to Replacement Property, the term Project shall be deemed to include any such real property improvements and personal property, whether now existing or hereafter constructed, improved, acquired or equipped, only to the extent placed in service within the Investment Period.

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

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

“*Replacement Property*” shall mean all property placed in service on the Land in substitution of, or as replacement for, any Negotiated FILOT Property which becomes Released Property, regardless of whether such property serves the same function as the property it replaces and regardless of whether more than one piece of such property replaces a single piece of the Negotiated FILOT Property, to the maximum extent that such property may be included in the calculation of the Negotiated FILOT pursuant to **Section 5.01(d)** hereof and Section 12-44-60 of the Negotiated FILOT Act.

“*Retroactive FILOT Payment*” shall mean a payment made by the Company or any other Co-Investor, to the County in an amount an amount equal to the difference between the FILOT Payments theretofore made, after application of the Special Source Credits, and the amount of the FILOT Payments which would have otherwise been due if determined with an assessment ratio of 6%, after application of the Special Source Credits.

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

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

“*Special Source Improvements*” shall mean to the extent paid for by the Company or any other Co-Investor, any infrastructure serving the economic development of the County and any improved or unimproved real property, buildings, structural components of buildings, fixtures, or other real property improvements and, upon the written election of the Company to the County, (effective as of the election date set forth in the written election, whether before or after the date of the written election) personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County, all as set forth in the Special Source Act. For purposes of this Agreement, Special Source Improvements shall initially be deemed to include, without limitation, all roadwork, water, sewer, drainage, power and utility facilities serving the Project, as well as the Land, the buildings, fixtures and other real property improvements on the Land, and any additions or improvements to any of the foregoing, whether paid for by the Company or any Co-Investors directly or through lease payments.

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

“*Standard FILOT Compliance Period*” shall mean the period commencing with the first day that Negotiated FILOT Property is purchased or acquired, whether before or after the date of this Agreement, and ending on the fifth anniversary of the end of the Property Tax Year in which the initial Negotiated FILOT Property comprising all or a portion of the Project is placed in service, all as specified in Section



12-44-30(13) of the Negotiated FILOT Act. It is presently anticipated, but not required that the initial Negotiated FILOT Property comprising all or a portion of the Project will be placed in service in the Property Tax Year ending on December 31, 2023, and, in such event, the Standard FILOT Compliance Period will end on December 31, 2028.

“*Standard FILOT Minimum Requirement*” shall mean investment in the Project of not less than \$2,500,000 within the Standard FILOT Compliance Period, as set forth in by Section 12-44-30(14) of the Negotiated FILOT Act, which investment amount shall be calculated in accordance with, and subject to, Section 12-44-130 of the Negotiated FILOT Act and **Section 6.02** hereof.

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

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

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

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

## REPRESENTATIONS AND WARRANTIES

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

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

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

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

To the best knowledge of the County, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the County in any court or before any

governmental authority or arbitration board or tribunal, any of which to the best knowledge of the County could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

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

The Company is a corporation validly existing and in good standing under the laws of the State of Delaware and is authorized to do business in the State; has all requisite power to enter into this Agreement and to carry out its obligations hereunder; and by proper action has been duly authorized to execute and deliver this Agreement. The Company's fiscal year end is December 31 and the Company will notify the County of any changes in the fiscal year of the Company.

The Company presently intends to operate the Project as facilities primarily for manufacturing of glass and fiberglass mats.

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

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

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

#### COVENANTS OF COUNTY

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

#### Special Source Credits.

As reimbursement for investment in Special Source Improvements and subject to the requirements of the Special Source Act, the County hereby agrees that the Company and each other Co-Investor (each, a "Credit Eligible Entity") shall be entitled to receive, and the County shall provide, subject to Section 4.02, Special Source Credits against each FILOT Payment due from each such Credit Eligible Entity with respect to the Project for a period of ten (10) consecutive tax years, commencing with the tax year for which the initial Negotiated FILOT payment is due with respect to the Project, in an annual amount

equal to fifty-five percent (55%) of each such year's FILOT Payments for years one (1) through five (5) and in an amount equal to twenty-five percent (25%) of each such year's FILOT Payments for years six (6) through ten (10). The Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Project by the Company and all other Credit Eligible Entities. In no event shall the aggregate amount of any annual Special Source Credits available to the Company and/or all Sponsor Affiliates exceed the amount of the then-current, annual FILOT Payment.

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

To claim each Special Source Credit, the Company, shall, no less than 45 days prior to the date after which *ad valorem* taxes become delinquent, file with the County Administrator, the County Auditor, and the County Treasurer, an Annual Special Source Credit Certification, the form of which is attached as Exhibit C, showing the amount of aggregate investment in qualifying infrastructure and the calculation of the Special Source Credit. The County is entitled to confirm the information (including the calculation) on the Annual Special Source Credit Certification prior to amending and transmitting the applicable tax bill(s). If the information contained on the Annual Special Source Credit Certification is correct, then the County shall (i) reduce the applicable tax bill(s) by the amount of the Special Source Credit and provide updated tax bill(s) to the Company, or (ii) if such tax bill(s) have been paid without application of the Special Source Credit, refund the amount of the Special Source Credit within 30 days after receiving the Company's Annual Special Source Credit Certification. If the Company fails to file the Annual Special Source Credit Certification no less than 45 days prior to the date after which *ad valorem* taxes become delinquent, but files the Annual Special Source Credit Certification within 120 days after the date which *ad valorem* taxes become delinquent, then the County shall (i) reduce the applicable tax bill(s) by the amount of the Special Source Credit and provide updated tax bill(s) to the Company, or (ii) if such tax bill(s) have been paid without application of the Special Source Credit, refund the amount of the Special Source Credit within 30 days after receiving the Company's Annual Special Source Credit Certification. The Company shall not be entitled to receive the Special Source Credit in an applicable year if it does not file the Annual Special Source Credit Certification within 120 days after the date which *ad valorem* taxes become delinquent for such year, but shall be entitled to receive the Special Source Credit in future years if the Annual Special Credit Certification is timely provided in accordance with this subsection. In no event is the County required to remit any payment to the Company while any of the Company's taxes or FILOT Payments have been invoiced by the County but remain outstanding, excluding any taxes or FILOT Payments that may have been protested by the Company, until such outstanding amounts have been paid.

**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.**

Multi-County Park Designation. The County hereby represents and acknowledges that the property comprising the Land as of the original execution and delivery of the Incentive Agreement is located

within the boundaries of the Multi-County Park. The County agrees to use reasonable efforts to designate the Project as part of a Multi-County Park, if not already so designated, and agrees to use its reasonable efforts to maintain the Project within the boundaries of the Multi-County Park for the duration of this Agreement pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13(D) of the State Constitution. The County hereby further agrees to take such further actions as may be reasonably necessary and prudent to effect any such initial or continued Multi-County Park designation under and pursuant to the Multi-County Park Agreement.

Section 2. Commensurate Benefits. The parties acknowledge the intent of this Agreement, in part, is to afford the Company and each other Co-Investor the benefits specified in this Article III in consideration of the Company's decision to locate the Project within the County, and this Agreement has been entered into in reliance upon the enactment of the Act and the County's compliance with the requirements thereof. In the event that a court of competent jurisdiction holds that the Act is, in whole or in part, unconstitutional or this Agreement, the Multi-County Park Agreement, or agreements similar in nature to this Agreement or the Multi-County Park Agreement are invalid or unenforceable in any material respect, or should the Company determine there is a reasonable doubt as to the validity or enforceability of this Agreement or the Multi-County Park Agreement in any material respect, then at the request and expense of the Company, the County agrees to use its reasonable efforts to take such action as may be reasonably necessary and prudent, to extend to the Company and each other Co-Investor the intended benefits of this Agreement, including, but not limited to, the Negotiated FILOT and the Special Source Credits and agrees, if requested by the Company, to enter into a lease purchase agreement with the Company and each other Co-Investor pursuant to Section 12-44-160 of the Negotiated FILOT Act and Title 4, Chapter 29 or Title 4, Chapter 12 of the Code, as applicable, the terms of which shall be mutually agreeable to the County and the Company. In furtherance of this covenant, the County also agrees that, in the event that, for any reason, the Multi-County Park is declared by a court of competent jurisdiction to be invalid or unenforceable in whole or in part, the Company and the County express their intentions that tax or FILOT payments be reformed so as to best afford the Company and each other Co-Investor benefits commensurate with, but not in excess of, those intended under this Agreement, including, but not limited to, the Special Source Credits, as then permitted by law, including, without limitation, any benefits afforded under Title 12, Chapter 6, Title 4, Chapter 1 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law.

## COVENANTS OF COMPANY

### Investment in Project.

The Company hereby agrees to acquire, construct, equip, or improve or cause to be acquired, constructed, equipped, or improved, the Project, as the same shall be determined from time to time by the Company in its sole discretion. As required by Section 12-44-30(2) of the Negotiated FILOT Act, at least a portion of the Negotiated FILOT Property comprising the Project shall be placed in service no later than the end of the Property Tax Year which is three years from the year in which this Agreement is entered, *i.e.*, the Property Tax Year ending on December 31, 2026.

(a) Notwithstanding anything herein to the contrary, and to the maximum extent permitted by law, investment in Negotiated FILOT Property and job creation in the County at the Project by any and all other permitted Co-Investors shall together with investment in Negotiated FILOT Property and job creation in the County at the Project by the Company, count to the full

extent permitted by the Negotiated FILOT Act, the Enhanced Investment FILOT Minimum Requirement, the Minimum Special Source Credits Jobs Requirement, and the Standard FILOT Minimum Requirement. Aggregate investment shall generally be determined by reference to the property tax returns of the Company and each other Co-Investor filed with respect to the Project, including without limitation, each such entity's assets listed on a SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act, without regard to depreciation or other diminution in value.

(b) Subject to the provision of **Sections 4.05** and **6.01** hereof, the Company and each other Co-Investor shall, retain title to, or other property rights in, its respective portion of the Project throughout the Term of this Agreement, and the Company and each other Co-Investor shall have full right to mortgage, lease, or encumber all or any portion of the Project, including without limitation, in connection with any financing transactions, all without the consent of the County.

(c) The Company and each other Co-Investor shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

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

(2) Subject to the provisions of **Section 5.01(f)(ii)** hereof, in any instance when the Company or any other Co-Investor, in its discretion, determines any property included in the Project, including without limitation, any Negotiated FILOT Property, has become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, the Company or such other Co-Investor may remove such property from the Project and sell, trade in, exchange, or otherwise dispose of them as a whole or in part without the consent of the County.

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

(4) If the Company or any other Co-Investor sells, leases, or otherwise disposes of any portion of, or adds to, the Land, or removes any portion of the Land from the Project while retaining such property for use as part of its operations in the County, all as permitted herein, the Company or such Co-Investor shall deliver to the

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

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

Failure to Satisfy Minimum Special Source Credit Requirements. If the Company does not satisfy at least 50% of the Minimum Special Source Credits Jobs Requirement and the Minimum Contract Investment Requirement by the end of the Enhanced Investment FILOT Compliance Period, without extension, then the Company shall not be entitled to receive the Special Source Credit and shall repay all Special Source Credits received by the Company. If the Company does not meet either the Minimum Special Source Credits Jobs Requirement or the Minimum Contract Investment Requirement by the end of the Enhanced Investment FILOT Compliance Period, without extension, but satisfies at least 50% of the Minimum Special Source Credits Jobs Requirement and the Minimum Contract Investment Requirement, then the Company (i) shall repay the Repayment Amount, as calculated below, if any, and (ii) if a Repayment Amount is due, the percentage of any future Special Source Credit shall be reduced by a percentage equal to the amount multiplied against the Aggregate SSRC previously received when calculating the Repayment Amount. The Repayment Amount is calculated as follows:

Aggregate SSRC previously received \*

$((1-(\text{Actual Investment}/\text{Minimum Contract Investment Requirement})) + (1-(\text{Actual Jobs}/\text{Minimum Special Source Credits Jobs Requirement}))) / 2$

= "Repayment Amount"

For example, if the Company has claimed an aggregate of \$500,000 in Special Source Credits during the applicable credit period but does not meet the Minimum Special Source Credits Jobs Requirement or the Minimum Contract Investment Requirement by the end of the Enhanced Investment Period, but instead only makes an investment of \$294,300,000 and creates 162 new, full-time equivalent jobs by the end of the Enhanced Investment FILOT Compliance Period, then the Company would be required to repay to the County approximately \$25,000, calculated as follows:

$$294,300,000 / 327,000,000 = 0.90$$

$$1 - 0.90 = 0.10$$

$$162 / 162 = 1.0$$

$$1 - 1.0 = 0.0$$

$$= 0.10 + 0.0 = 0.10 / 2 = 0.05$$

$$500,000 * 0.05$$

In addition, the Special Source Credit for any remaining years would be reduced by 5.0%.

For purpose of performing the calculation described above, any job creation above the Minimum Special Source Credits Jobs Requirement or investment above the Minimum Contract Investment Requirement, as applicable, shall be taken into account to the extent the applicable increase does not exceed 10% of the applicable requirement. For example, if the Company has claimed an aggregate of \$500,000 in Special Source Credits during the applicable credit period but does not meet the Minimum Contract Investment Requirement by the end of the Enhanced Investment FILOT Compliance Period, but instead only makes an investment of \$294,300,000 and creates 178 new, full-time equivalent jobs by the end of the Enhanced Investment FILOT Compliance Period, then the Company would be required to repay to the County approximately \$308.75, calculated as follows:

$$294,300,000 / 327,000,000 = 0.90$$

$$1 - .90 = 0.10$$

$$178 / 162 = 1.098765$$

$$1 - 1.098765 = (0.098765)$$

$$= 0.10 + (0.098765) = 0.001235 / 2 = 0.0006175.$$

$$500,000 * 0.0006175$$

In addition, the Special Source Credit for any remaining years would be reduced by 0.061750%, provided, however, in no event shall the County be required to provide any additional Special Source Credit for investment and/or job creation above the Minimum Contract Investment Requirement or the Minimum Special Source Credits Jobs Requirement.

Any payment made under this Section 4.02, shall be due no more than 15 days after the date after which ad valorem taxes become delinquent and shall be treated as a FILOT Payment under this Agreement and shall be subject to statutory interest if not paid when due pursuant to Section 12-54-25 of the Code, as allowed under the FILOT Act.

Section 3. Payment of Administration Expenses. The Company or any other Co-Investor will reimburse, or cause reimbursement of, the County from time to time for the County's Administration Expenses incurred in the fulfillment of its obligations hereunder, or in the implementation of this Agreement's terms and provisions, with respect to the Company or such other Co-Investor, respectively, promptly upon written request therefor, but in no event later than 90 days after receiving written notice from the County specifying the nature of such expense and requesting the payment of the same. The County acknowledges that it imposes no charges in the nature of impact fees or recurring fees in connection with the Project or the incentives authorized by this Agreement, and, aside from the attorneys' fees set forth below, the County anticipates no out of pocket expenses in connection with this Agreement and the

transactions authorized hereby. The parties understand that the County has incurred, and will incur, legal fees and other expenses for review of the Inducement Resolution, this Agreement, the Multi-County Park Agreement and all resolutions, ordinances and other documentation related thereto in an amount not to exceed \$7,500.

Section 4. Use of Project for Lawful Activities. During the Term of this Agreement, the Company and each other Co-Investor may use the Project as it deems fit for any lawful purpose.

Section 5. Maintenance of Existence. Except in the event the resulting, surviving or transferee entity is the Company or an Affiliate of the Company, as to which such consolidation, merger, or transfer, the County hereby preapproves and consents, unless the County shall provide prior consent or subsequent ratification otherwise, which consent or ratification shall not be unreasonably withheld, conditioned, or delayed, the Company covenants that it will maintain its separate existence and will not dissolve or consolidate with, merge into or transfer, or otherwise dispose of substantially all of its property to any other entity or permit one or more other entities to consolidate with or merge into it or purchase substantially all of its property unless:

(a) the Company shall be the continuing business entity, or the business entity formed by such consolidation or into which the Company is merged or the entity which acquires by conveyance or transfer all or substantially all of the Company's assets shall (i) be an entity organized and existing under the laws of the United States of America or any state thereof or the District of Columbia and qualified to do business in the State; (ii) have a net worth equal to or greater than the net worth of the Company immediately preceding the date of such merger, consolidation or transfer; and (iii) expressly and unconditionally assume, by written agreement supplemental hereto and acceptable to the County as to form and content, in its reasonable discretion, every payment obligation of the Company herein and the performance of every covenant of this Agreement on the part of the Company to be performed or observed; and

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

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

Upon any consolidation or merger or any conveyance or transfer of all or substantially all of the Company's assets in accordance with this **Section 4.05**, the successor entity formed by such consolidation or into which the Company is merged or to which such conveyance or transfer is made, shall succeed to, and be substituted for, and may exercise every right and power of the Company under this Agreement with the same effect as if such successor entity had been named as the Company herein, and thereafter the Company shall be relieved of all obligations and covenants under this Agreement.



If a consolidation, merger or conveyance or transfer is made as permitted by this Section, the provisions of this Section shall continue in full force and effect and no further consolidation, merger or conveyance or transfer shall be made except in compliance with the provisions of this **Section 4.05**.

The Company acknowledges transfers of this Agreement or the Negotiated FILOT Property may cause the Negotiated FILOT Property to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company or any Co-Investor with the Transfer Provisions.

Section 6. Records and Reports. The Company and each other Co-Investor will maintain, or cause to be maintained, such books and records with respect to its respective portion of the Project as will permit the identification of those portions of the Project it places in service during the Investment Period, the amount of investment with respect thereto, and any computations of Negotiated FILOT Payments made by such entity hereunder, and will comply with all reporting requirements of the State and the County applicable to Negotiated FILOT Property under the Negotiated FILOT Act, including without limitation the reports required by 12-44-90 of the Negotiated FILOT Act (collectively, "Filings"); provided, however, that the parties hereby waive in its entirety the requirement under Section 12-44-55 of the Negotiated FILOT Act for a recapitulation of the terms of this Agreement. In addition, the following records shall be provided to the County:

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

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

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

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

any other Co-Investor in connection with the Project, whether or not such information has been designated as confidential or proprietary by the Company or any other Co-Investor.

Section 7. Funding for Special Source Improvements. The Company and each other Co-Investor shall provide, or cause the provision of, funding for the Special Source Improvements related to its respective portion of the Project.

## FEES IN LIEU OF TAXES

### Payment of Fees in Lieu of Ad Valorem Taxes.

In accordance with the Negotiated FILOT Act, the parties hereby agree, during the Term hereof, that there shall be due annually with respect to that portion of the Project constituting Negotiated FILOT Property, whether owned by the Company or by any other Sponsor or Sponsor Affiliate, a Negotiated FILOT Payment calculated as set forth in this **Section 5.01**, at the places, in the manner and subject to the penalty assessments prescribed by the County or the Department of Revenue for *ad valorem* taxes. It is presently anticipated, but not required, that the initial Negotiated FILOT Payment, which shall be due under current Code requirements on the January 15 following the year in which the County adds the initial Negotiated FILOT Property to its tax rolls, will be due on January 15, 2025. If the Company designates any other Sponsor or Sponsor Affiliates, as the same shall have been consented to by the County, if such consent is required pursuant to **Section 6.02** hereof, the Company must notify the County in writing at the time of such designation as to whether such additional Sponsor or Sponsor Affiliate shall be primarily liable for the Negotiated FILOT Payments due hereunder with respect to such Sponsor or Sponsor Affiliate's respective portion of the Negotiated FILOT Property. Unless and until such additional notification is received, the Company shall be primarily liable for all Negotiated FILOT Payments due with respect to such Negotiated FILOT Property.

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

For each annual increment of investment in Negotiated FILOT Property, the annual Negotiated FILOT Payments shall initially be payable for a payment period of forty (40) years. Accordingly, if such Negotiated FILOT Property is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a payment period of forty (40) years.

The Negotiated FILOT shall be determined using: (1) an assessment ratio of 4%; (2) a fixed millage rate of 488.4 mills; and (3) the fair market value of such Negotiated FILOT Property as determined in accordance with Section 12-44-50(A)(1)(c) of the Negotiated FILOT Act, which, for typical arm's length construction or acquisition, uses the original income tax basis for any real property without regard to depreciation or reassessment and the original income tax basis for any personal property less allowable depreciation (except depreciation due to extraordinary obsolescence); provided, however, that the Company or any other Sponsor or Sponsor Affiliate and the County may agree, only in a writing approved by the Council, at a later date to amend this Agreement as to Negotiated FILOT property owned by the Company or such other Sponsor or Sponsor Affiliate so as to determine the fair market value of any such real property in accordance with any other method permitted by the Negotiated FILOT Act.

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

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

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

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

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

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

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

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

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

the remaining portion of the Negotiated FILOT Payment period set forth in **Section 5.01(b)(i)** hereof applicable to the Released Property

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

(a) In the event that, for any reason, the Negotiated FILOT Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Negotiated FILOT Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Company and each other Sponsor or Sponsor Affiliate benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there shall be due hereunder with respect to the portion of the Negotiated FILOT Property affected by such circumstances *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be, and that, to the extent permitted by law, the Company and any other Sponsor or Sponsor Affiliate shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes, or from FILOT payments pursuant to the Multi-County Park Act, as the case may be, provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive all other tax credits which would be due if the Company and each other Sponsor or Sponsor Affiliate were obligated to pay *ad valorem* taxes, or make FILOT payments pursuant to the Multi-County Park Act, as the case may be, hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are subject to retroactive adjustment, then there shall be due and payable from the Company and any other Sponsor or Sponsor Affiliate, as the case may be, with respect to such entity's portion of the Negotiated FILOT Property in question, an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, or as FILOT payments pursuant to the Multi-County Park Act, as the case may be, together with interest on such deficiency as provided in Section 12-54-25(D) of the Code (a "Deficiency Payment").

In the event that the Enhanced Investment FILOT Minimum Requirement is not satisfied by the end of the Enhanced Investment FILOT Compliance Period, but the Standard FILOT Minimum Requirement is nevertheless satisfied by the end of the Standard FILOT Compliance Period, then the Project shall continue to be eligible for Negotiated FILOT Payments as set forth in **Section 5.01** hereof, but such Negotiated FILOT Payments shall be determined with an applicable assessment ratio of 6%, retroactively and prospectively. In such event, and subject to the provisions of **Section 3.02(a)** hereof, the Company and each Sponsor or Sponsor Affiliate, as the case may be, with respect to its portion of Negotiated FILOT Property, shall be required to remit the Retroactive FILOT Payment.

In the event that the Enhanced Investment FILOT Minimum Requirement is not satisfied by the end of the Enhanced Investment FILOT Compliance Period and the Standard FILOT Minimum Requirement is not satisfied by the end of the Standard FILOT Compliance Period, then all

Negotiated FILOT Payments shall revert retroactively to *ad valorem* taxes, or to FILOT payments pursuant to the Multi-County Park Act, as the case may be, calculated as set forth in paragraph (e) above, and a Deficiency Payment from each such owing entity shall be due and payable with respect to Negotiated FILOT Payments theretofore made. In the event that the aggregate investment in the Project does not exceed \$5,000,000 by the end of the Standard FILOT Compliance Period and any Sponsor or Sponsor Affiliate does not satisfy the Standard FILOT Minimum Requirement solely through its own direct investment in the Project, then the Negotiated FILOT Payments with respect to that portion of the Project owned by such Sponsor or Sponsor Affiliate shall revert retroactively to *ad valorem* taxes calculated as set forth in paragraph (e) above, and such Sponsor or Sponsor Affiliate shall owe a Deficiency Payment with respect to Negotiated FILOT Payments theretofore made as to such portion of the Project. To the extent necessary to collect a Deficiency Payment under this clause (ii) due to failure to satisfy the Standard FILOT Minimum Requirement, Section 12-44-140(D) of the Negotiated FILOT Act provides that any statute of limitations that might apply pursuant to Section 12-54-85 of the Code is suspended.

In the event that the Enhanced Investment FILOT Minimum Requirement is satisfied by the end of the Enhanced Investment FILOT Compliance Period, but following the Enhanced Investment FILOT Compliance Period, investment in the Project, without regard to depreciation or other diminution in value, falls below the lowest investment level set forth in the Enhanced Investment FILOT Minimum Requirement by which the Project has qualified as an “enhanced investment” pursuant to Section 12-44-30(7) of the Negotiated FILOT Act, so long as investment in the Project, without regard to depreciation, reassessment, or other diminution in value, maintains the investment level set forth in the Standard FILOT Minimum Requirement, then the Project shall continue to be eligible for Negotiated FILOT Payments set forth in **Section 5.01** hereof, but such Negotiated FILOT Payments shall be determined with an applicable assessment ratio of 6%, prospectively, commencing with any Negotiated FILOT Payments due with respect to the first Property Tax Year following the Property Tax Year in which such deficiency occurs. In the event that the Enhanced Investment FILOT Minimum Requirement is not satisfied by the end of the Enhanced Investment FILOT Compliance Period, but the Project nevertheless continues to be eligible for Negotiated FILOT Payments pursuant to **Section 5.01** hereof, if following the Standard FILOT Compliance Period, investment in the Project, without regard to depreciation or other diminution in value, falls below the investment level set forth in the Standard FILOT Minimum Requirement, then the Project shall prospectively be subject to *ad valorem* taxes, or to FILOT payments pursuant to the Multi-County Park Act, as the case may be, calculated as set forth in paragraph (e) above, in accordance with Section 12-44-140(C) of the Negotiated FILOT Act commencing with any Negotiated FILOT Payments due with respect to Project property placed in service as of the end of the Property Tax Year in which such deficiency occurs.

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

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

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

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

### THIRD PARTY ARRANGEMENTS

Section 8. Conveyance of Liens and Interests; Assignment. The County agrees that, to the extent permitted by the Act, the Company and each other Co-Investor may at any time (a) transfer all or any of its rights and interests hereunder or with respect to all or any part of the Project to any Person; or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing entity or other Person with respect to this Agreement or all or any part of the Project, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such portion of the Project, whereby the transferee in any such arrangement leases the portion of the Project in question to the Company or any other Co-Investor or operates such assets for the Company or any other Co-Investor or is leasing all or a portion of the Project in question from the Company or any other Co-Investor. In the event of any such transfer, lease, financing, or other transaction described above, the rights and interests of the Company or such other Co-Investor under this Agreement, including, without limitation, the benefits of the Negotiated FILOT and the Special Source Credits, with respect to any Project property so transferred, leased, financed, or otherwise affected shall be so transferred and preserved upon written approval of the County, which approval may take the form of a resolution or ordinance of the Council.

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

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

Section 9. Sponsors and Sponsor Affiliates. Upon request of and at the expense of the Company, the County may approve any future Sponsor Affiliate that qualifies under the Act for the benefits offered under this Agreement, provided that, each Sponsor Affiliate must agree to be bound by the terms of this Agreement, as evidenced by such future Sponsor Affiliate entering into a Joinder Agreement in a

form substantially similar to that attached to this Agreement, as Exhibit B, subject to any reasonable changes not materially adverse to the County, and must be approved by resolution of the Council. The Company shall provide the County and the Department of Revenue with written notice of any Sponsor or Sponsor Affiliate designated pursuant to this **Section 6.02** within 90 days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Negotiated FILOT Property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Negotiated FILOT Act.

## TERM; TERMINATION

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

**Termination.** In addition to the termination rights of the County under **Section 8.02(a)** hereof, the County and the Company may jointly agree to terminate this Agreement at any time, or the Company, may, at its option, unilaterally terminate this Agreement at any time, with respect to all, or any portion, of the Project in which event the Project, or such portion of the Project, shall be subject to *ad valorem* taxes, or to FILOT payments under the Multi-County Park Act, as the case may be, from the date of termination. Notwithstanding the reason for termination of this Agreement, the County shall have the same rights to receive payment for any retroactive *ad valorem* taxes, Deficiency Payments, interest or penalties, and the same enforcement rights with respect to such obligations as it would have with respect to *ad valorem* taxes, and the County's rights arising under **Section 5.01** prior to the time of such termination shall survive any such termination.

## EVENTS OF DEFAULT AND REMEDIES

**Events of Default.** Any one or more of the following events (herein called an "Event of Default," or collectively "Events of Default") shall constitute an Event of Default by the Company, any Co-Investor, or the County ("Defaulting Entity") but only with respect to such Defaulting Entity's rights, duties, and obligations contained herein:

if the Company shall fail to make any Negotiated FILOT Payments, which default shall not have been cured within 60 days following receipt of written notice of such default from the County;

if the Company or the County shall fail to observe, perform, or comply with any of the covenants, conditions, or terms hereof, other than those referred to in the foregoing **paragraph (a)**, and such default shall continue for 60 days after the party shall have given the Defaulting Entity written notice of such default; provided however, (i) the County may, in its discretion, grant the Company a longer period of time as necessary to cure such default if the Company proceeds with due diligence to cure such default; (ii) that no Event of Default shall exist under this Agreement during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Defaulting Entity has contested the occurrence of such default; and (iii) if by reason of "force majeure" as hereinafter defined the Company or the County is unable in whole or in part to carry out any such covenant, condition,

or terms or if it takes longer than 60 days to cure such default and the Company or the County is diligently attempting to cure such default, there shall be no Event of Default during such inability. The term “force majeure” as used herein shall mean circumstances not reasonably within the control of the parties, such as without limitation, acts of God, strikes, lockouts or other industrial disturbances; war; acts of public enemies; mobilization or military conscription on a large scale; order of any kind of the government of the United States or any State, or any civil or military authority other than the County Council; insurrections; riots; landslides; earthquakes; fires; lightning; storms; droughts; floods; requisitions, confiscation, or commandeering of property; fuel restrictions; general shortages of transport, goods, or energy;

A material representation or warranty made by the Company or the County which is deemed materially incorrect when deemed made;

Failure by the Company or any Sponsor or Sponsor Affiliate to maintain the individual and/or aggregate minimum investment as described in the Act;

(a) if a Cessation of Operations occurs after the Enhanced Investment FILOT Compliance Period. For purposes of this Section, “ceases operations” means closure of the facility comprising the Project or the cessation of production and shipment of products for a continuous period of twelve months; or

(b) Failure by the Company to comply with any other provisions of the Act.

Notwithstanding anything herein to the contrary, failure to meet any investment or job creation requirements, thresholds, or levels set forth in this Agreement shall not be deemed to be an Event of Default under this Agreement but may terminate certain benefits hereunder or obligate the Company or other Co-Investors, as the case may be, to make certain additional payments to the County, all as set forth in **Section 4.02** and **Section 5.01(f)** hereof.

Remedies on Event of Default. Upon the occurrence of any Event of Default, the following remedies may be exercised by the County:

terminate this Agreement by delivery of written notice to the Defaulting Entity not less than 30 days prior to the termination date specified therein (which, for a failure to make any Negotiated FILOT Payment, may be the 60<sup>th</sup> day following notice of default as described in Section 8.01(a), above);

have access to and inspect, examine, and make copies of the books and records of the Defaulting Entity pertaining to the construction, acquisition, or maintenance of the Project or calculation of the Negotiated FILOT as provided in **Section 4.06** hereof;

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

Defaulted Payments. In the event the Company or any other Co-Investor should fail to make any of the payments required to be made by such entity under this Agreement, the item or installment so in default shall continue as an obligation of such entity until the amount in default shall have been fully paid. If any such default relates to its obligations to make Negotiated FILOT Payments hereunder, such entity



shall pay the same with interest thereon at the rate per annum provided by the Code for late payment of *ad valorem* taxes together with any penalties provided by the Code for late payment of *ad valorem* taxes, all as provided in Section 12-44-90 of the Negotiated FILOT Act.

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

Reimbursement of Legal Fees and Expenses and Other Expenses. Upon the occurrence of an Event of Default hereunder, should a party 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 successful party shall be entitled, within 30 days of demand therefor, to reimbursement of the reasonable fees of such attorneys and such other reasonable expenses so incurred.

## MISCELLANEOUS

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

Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, any Co-Investor hereof, and their respective successors and assigns as permitted hereunder; provided, however, that notwithstanding anything herein to the contrary, the County may not assign any or all of its rights, duties, and obligations in, to, and under this Agreement without the written consent of the Company, which consent may be provided by the Company in its sole discretion.

Notices; Demands; Requests. All notices, demands, and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid, or via facsimile transmission or reputable courier service, to the following persons and addresses or to such other persons and places as may be designated in writing by such party.

(a) if to the County:

Chester County  
Attn.: County Administrator  
PO Box 580  
Chester, South Carolina 29706  
Phone: (803) 436-2102

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

Joanie Winters, Esquire  
Chester County Attorney  
105 Main Street  
Chester, South Carolina 29703  
Phone: (803) 581-8190

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

Michael E. Kozlarek, Esquire  
King Kozlarek Law LLC  
Post Office Box 565  
Greenville, South Carolina 29602-0565

(d) As to the Company:

John Anhang  
IKO Glass Fiber, Inc. & IKO Mat Tech Inc.  
6 Denny Road, Suite 200  
Wilmington, DE 19809  
Phone: 416-781-5545 x-5909

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

John F. Wall IV, Esq.  
Burr & Forman LLP  
1221 Main Street, Suite 1800  
Columbia, South Carolina 29201  
Phone: (803) 753-3206

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

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

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

Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions

hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

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

Amendments. Subject to the limitations set forth in Section 12-44-40(K)(2) of the Negotiated FILOT Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by both parties.

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

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

#### Section 10. Indemnification Covenants.

(a) Except as provided in paragraph (d) below, the Company, shall indemnify and save the County, its employees, elected officials, officers and agents (each, an “Indemnified Party”) harmless against and from all liability or claims arising from the County’s execution of this Agreement, performance of the County’s obligations under this Agreement or the administration of its duties pursuant to this Agreement, or otherwise by virtue of the County having entered into this Agreement.

(b) The County is entitled to use counsel of its choice and the Company shall reimburse the County for all reasonable costs, including attorneys’ fees, incurred in connection with the response to or defense against such liability or claims as described in paragraph (a), above. The County shall provide a statement of the costs incurred in the response or defense, and the Company shall pay the County within 30 days of receipt of the statement. The Company may request reasonable documentation evidencing the costs shown on the statement. However, the County is not required to provide any documentation which may be privileged or confidential to evidence the costs.

(c) The County may request the Company to resist or defend against any claim on behalf of an Indemnified Party. On such request, the Company shall resist or defend against such claim on behalf of the Indemnified Party, at the Company’s expense. The Company is entitled to use counsel of its choice, manage, and control the defense of or response to such claim for the Indemnified Party; provided the Company is not entitled to settle any such claim without the consent of that Indemnified Party.

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

of the County or any of its individual officers, agents, or employees.

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

Section 11.No Liability of County Personnel. All covenants, stipulations, promises, agreements and obligations of the County contained in this Agreement are binding on members of the Council or any elected official, officer, agent, servant or employee of the County only in his or her official capacity and not in his or her individual capacity, and no recourse for the payment of any moneys under this Agreement may be had against any member of the Council or any elected or appointed official, officer, agent, servant or employee of the County and no recourse for the payment of any moneys or performance of any of the covenants and agreements under this Agreement or for any claims based on this Agreement may be had against any member of Council or any elected or appointed official, officer, agent, servant or employee of the County except solely in their official capacity

Section 12.Limitation of Liability. The County is not liable to the Company for any costs, expenses, losses, damages, claims or actions in connection with this Agreement, except from amounts received by the County from the Company under this Agreement.

[ONE SIGNATURE PAGE AND THREE EXHIBITS FOLLOW]  
[REMAINDER OF PAGE INTENTIONALLY BLANK]

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

**CHESTER COUNTY, SOUTH CAROLINA**

By: \_\_\_\_\_  
Joe Branham  
Chairman, County Council

[SEAL]

Attest:

\_\_\_\_\_  
Karen Lee  
Clerk to County Council

**IKO GLASS FIBER INC.**

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

**IKO MAT TECH INC.**

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

**EXHIBIT A**  
**LAND DESCRIPTION**

**PARCEL 1**

All that certain piece, parcel or tract of land, lying and being situate in the County of Chester, State of South Carolina, about four (4) miles east of the City of Chester, on the eastern side of Highway S-12-186, known as Cedarhurst Road, and being shown as Tract "C" containing 38.111 acres, more or less, on a plat of survey for Albert Drane Oliphant, Jr. by Hipp Land Surveying, Inc. dated September 26, 2000, which plat is recorded in Plat Cabinet C at Slide 194, Page 4, and having such courses and distances, metes and bounds, as are shown on the said plat, which plat is incorporated herein by reference.

**Tax Map No. 097-00-00-067-000**

**PARCEL 2**

All that certain piece, parcel or tract of land, lying, being and situated in the County of Chester, State of South Carolina, located approximately eight (8) miles East of the City of Chester, containing 44.57 acres, more or less, as shown on that plat of property of the Lancaster and Chester Railway Company prepared by R. H. Iseley and J. C. Crumpler, dated February 2, 1984, recorded in Plat Cabinet 'B' at Slide 39C&D. For a more particular description of the dimensions, metes and bounds of the premises herein conveyed reference is craved to the above-mentioned plat which is incorporated herein as a part of this description. Special reference is also craved to a one-foot strip of land retained by Lancaster and Chester Railway Company between the property herein conveyed and property of Boise Cascade Corporation as shown on the above referenced plat. Being the same property conveyed to Electric Glass Fiber America LLC f/k/a a PPG Industries Fiber Glass Products, Inc., a Delaware limited liability company, by virtue of Limited Warranty Deed from PPG Industries Securities, LLC, a Delaware limited liability company, dated May 3, 2017, recorded May 10, 2017, in Volume 1206, Page 128, Chester County, South Carolina, as amended by Affidavit Relating to Title dated April 17, 2018, recorded June 13, 2018, in Volume 1243, Page 198, aforesaid records.

**Tax Map No. 098-00-00-076-000**