SUMTER COUNTY
RESOLUTION

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

WHEREAS, Sumter County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act") or, as to Section 4-1-175 thereof, and, by incorporation Section 4-29-68 of the Code, the "Special Source Act", and, together with the Negotiated FILOT Act, the "Act") and by Article VIII, Section 13(D) of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of ad valorem tax ("FILOT") payments, including, but not limited to, negotiated FILOT payments made pursuant to the Negotiated FILOT Act, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County 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 in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, a company identified for the time being as Project Bulldog, acting for itself, one or more affiliates, and/or other project sponsors (collectively, the "Company") proposes to establish and/or expand certain facilities at one or more locations in the County (the "Project"); and
WHEREAS, the Company anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, at least $150,000,000, in the aggregate, in the Project and will create, or cause to be created, at least 125 new, full-time jobs, in the aggregate, within the County; and

WHEREAS, on the basis of the information supplied to it by the Company, the County has determined, inter alia, that the Project would promote the purposes of the Act and would be directly and substantially beneficial to the County, the taxing entities of the County and the citizens and residents of the County due to the investment to be made, or caused to be made, and the jobs to be created, or caused to be created, by the Company, all of which contribute to the tax base and the economic welfare of the County, and, accordingly, the County wishes to induce the Company to undertake the Project by offering certain negotiated FILOT and multi-county industrial or business park benefits, as well as the benefits of certain Special Source Credits as set forth herein, and all of which shall be further described and documented in a Fee in Lieu of Tax and Incentive Agreement to be entered into by the County and the Company (the “Incentive Agreement”).

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

Section 1. As contemplated by Section 12-44-40(I) of the Negotiated FILOT Act, the County makes the following findings and determinations:

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

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

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

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

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

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

Section 2.

(a) The County hereby agrees to enter into the Incentive Agreement with the Company, whereby the Company will agree to satisfy, or cause to be satisfied, certain investment requirements with respect to the Project within certain prescribed time periods in accordance with the Negotiated FILOT Act and the County, under certain conditions to be set forth in the Incentive Agreement, will agree to accept negotiated fee in lieu of ad valorem tax (“Negotiated FILOT”) payments with respect to the Project.

(b) (i) The Negotiated FILOT shall be determined using: (1) an assessment ratio of 4%; provided, that, in the event that the Expansion Project fails to qualify as an
“enhanced investment” under Section 12-44-30(7) of the Negotiated FILOT Act but
nevertheless qualifies for a Negotiated FILOT under the Negotiated FILOT Act, an
assessment ratio of 6% shall be applied retroactively and prospectively; (2) the lowest
initial millage rate or millage rates allowed with respect to the Project pursuant to Section
12-44-50(A)(1)(d) of the Negotiated FILOT Act, which the parties presently believe to be
[362.2] mills, and which millage rate or millage rates shall adjust every five years pursuant
to Section 12-44-50(A)(1)(b)(ii) of the Negotiated FILOT Act for the full term of the
Negotiated FILOT; (3) the fair market value of the Project, determined in accordance with
the Negotiated FILOT Act; and (4) such other terms and conditions as will be specified in
the Incentive Agreement, including, without limitation, that the Company, in its sole
discretion, may dispose of property and replace property subject to Negotiated FILOT
payments to the maximum extent permitted by the Negotiated FILOT Act.

(ii) The Negotiated FILOT shall be calculated as provided in this
Section 2(b) for that portion of the Project consisting of “economic development property”
under the Negotiated FILOT Act. For each annual increment of investment in such
economic development property, the annual Negotiated FILOT payments shall be payable
for a payment period of twenty (20) years, all in accordance with the Negotiated FILOT
Act. Accordingly, if such economic development property is placed in service during more
than one year, each year’s investment shall be subject to the Negotiated FILOT for a
payment period of twenty (20) years.

Section 3. The County will use its best efforts to ensure that the Project will be
included, if not already included, and will remain, within the boundaries of a multi-county
industrial or business park pursuant to the provisions of the Multi-County Park Act and Article
VIII, Section 13(D) of the State Constitution on terms which allow the Company to seek from the
State any additional jobs creation tax credits for the Project afforded by the laws of the State for
projects located within multi-county industrial parks and on terms, and for a duration, which
facilitate, the County’s provision, and the Company’s receipt, of the Special Source Credits
referenced in Section 4 hereof.

Section 4. As an additional incentive to induce the Company to undertake the Project,
and as reimbursement for investment in Special Source Improvements, and subject to the
requirements of the Special Source Act and the terms and conditions of the Incentive Agreement,
the County does hereby agree that the Company shall be entitled to receive, and the County shall
provide, Special Source Credits against each FILOT payment, including, but not limited to, each
Negotiated FILOT payment, due 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 twenty-five percent (25%) of such FILOT
payment, all as shall be set forth in greater detail in the Incentive Agreement. In accordance with
the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate,
exceed the aggregate cost of Special Source Improvements funded from time to time in connection
with the Project.

Section 5. The provisions, terms, and conditions of the Incentive Agreement shall be
subject to approval by subsequent Ordinance of the Council. The Incentive Agreement is to be in
substantially the form customarily used by the County for similar transactions with such changes
therein as shall be approved by said Ordinance.
Section 6. The Chairman of the Council, the County Administrator, and the Clerk to the Council, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to this Resolution.

Section 7. The execution and delivery of the Incentive Agreement is subject to the enactment by the Council of an ordinance authorizing the same and, in conjunction therewith, compliance with the provisions of the Home Rule Act regarding the procedural requirements for enacting ordinances.

Section 8. All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This Resolution shall take effect and be in full force upon adoption by the Council.

[End of Resolution]
Done in meeting duly assembled this 24th day of April, 2018.

SUMTER COUNTY, SOUTH CAROLINA

By: [Signature]

James T. McCain, Jr. Chairman, County Council
Sumter County, South Carolina

[SEAL]

Attest:

By: [Signature]

Mary W. Blanding, Clerk to County Council
Sumter County, South Carolina