CLARENDON COUNTY
ORDINANCE NO. 2025-14

AN ORDINANCE AUTHORIZING, PURSUANT TO TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU OF AD VALOREM TAXES AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT BY AND BETWEEN CLARENDON COUNTY, SOUTH CAROLINA, AND AAPEX MANUFACTURING LLC A/K/A PROJECT UNITY, ACTING FOR ITSELF, ONE OR MORE CURRENT OR FUTURE AFFILIATES AND OTHER PROJECT COMPANIES (COLLECTIVELY, "COMPANY"); PROVIDING FOR A FEE-IN-LIEU OF *AD VALOREM* TAXES INCENTIVE; PROVIDING FOR A SPECIAL SOURCE REVENUE CREDIT; DESIGNATING THE PROPERTY OF THE PROJECT AS SUBJECT TO A MULTI-COUNTY INDUSTRIAL PARK ARRANGEMENT; ACKNOWLEDGING THE EXECUTION AND DELIVERY OF ONE OR MORE GRANT AGREEMENTS AND THE RELATED GRANT(S); AND PROVIDING FOR OTHER RELATED MATTERS.

WHEREAS, Clarendon County, South Carolina ("County"), acting by and through its County Council ("Council"), is authorized and empowered, under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended through the date hereof ("Code"), particularly Title 12, Chapter 44 thereof ("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 investors to establish projects through which the economic development of the State of South Carolina ("State") will be promoted and trade developed, thus utilizing and employing the manpower, agricultural products, and natural resources of the State; (ii) to covenant with those investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, but not limited to, negotiated FILOT ("Negotiated FILOT") payments, and granting certain special source revenue credits ("SSRCs") to pay costs of designing, acquiring, constructing improving or expanding (i) infrastructure serving a project or the County, and (ii) for improved or unimproved real estate and personal property including machinery and equipment used in the operating of a manufacturing or commercial enterprise ("Infrastructure"); and (iii) to create or expand, in conjunction with one or more other counties, a multi-county industrial or business park to allow such special source revenue credits and certain enhanced income tax credits to those investors;

WHEREAS, pursuant to the Multi-County Park Act, the County is authorized to jointly develop multicounty parks with counties having contiguous borders with the County and, in the County's discretion, include property within the boundaries of such multicounty parks, and under the authority provided in the Act, the County has created a multicounty park with Sumter County pursuant to the Master Agreement Governing the Sumter-Clarendon Industrial Park, dated December 31, 2010 (as amended, modified, and supplemented, collectively, "Park Agreement") whereby the County and Sumter County agreed to develop a joint county industrial or business park eligible to include property located in either the County or Sumter County ("Park");

WHEREAS, Section 1.01 of the Park Agreement establishes the procedure for designating additional property as part of the arrangement governing the Park;

WHEREAS, a company identified as Aapex Manufacturing LLC, previously known to the County as Project Unity, acting for itself, one or more current or future affiliates and other project sponsors (collectively, "Company") proposes to invest in, or cause others to invest in, the establishment of a manufacturing facility in the County ("Project"), which the Company expects will result in the creation of approximately 504 new, full-time equivalent jobs and investment of approximately $56,200,000 in taxable real and personal property;

WHEREAS, the County, having determined that a designation of the property related to the Project as part of the arrangement governing the Park would promote economic development and thus provide additional employment and investment opportunities within the County and Sumter County, desires to so designate the property as described in greater detail on the attached **Exhibit A** and as subject to the Park Agreement ("Project Site");

WHEREAS, pursuant to an Inducement Resolution, adopted by Council on October 13, 2025, the County identified the Project as a "project" as provided in the Act;

WHEREAS, the Company has caused to be prepared and presented to this meeting the form of the Fee in Lieu of *Ad Valorem* Taxes and Special Source Revenue Credit Agreement, attached as **Exhibit B**, by and between the County and the Company ("Fee Agreement"), which provides for fee in lieu of tax payments utilizing a 6% assessment ratio for a period of 30 years for the Project or each component thereof placed in service during the investment period, and provides further for certain special source credits to be claimed by the Company against its payments of fees in lieu of tax payments with respect to the Project pursuant to Section 4-1-175 of the Multi-County Park Act;

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

WHEREAS, to induce Project Unity to locate in the County, the Council understands that the State intends to enter into one or more grant agreements (each, "Grant Agreement") with Project Unity, to provide for one or more grants, in aggregate, of approximately $500,000 (collectively, "Grant");

WHEREAS, the Council intends this Ordinance to serve as an acknowledgement of the Grant and an expression of the Council's intent to accept and administer the Grant and execute and deliver each Grant Agreement;

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

Section 1. ***Statutory Findings.*** Based solely on information provided to the County by the Company, it is hereby found, determined, and declared by the Council, as follows:

(a) The Project will constitute a "project" as that term is referred to and defined in the Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County, and the County has evaluated the Project based on all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made and the anticipated costs and benefits to the County;

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

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

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

(f) The inducement of the location or expansion of the Project within the County and State is of paramount importance; and

(g) The anticipated benefits of the Project to the public will be greater than the costs.

Section 2. ***Authorization of Fee Agreement.*** To promote industry, develop trade, and utilize and employ the manpower, products, and natural resources of the State by assisting the Company to expand or locate a commercial facility in the State, the Fee Agreement is authorized, ratified, and approved.

Section 3. ***Approval of Form of Fee Agreement.*** The form of the Fee Agreement presented at this meeting is approved, and all of the terms are incorporated in this Ordinance by reference as if the Fee Agreement were set out in this Ordinance in its entirety. The Chairman of the Council, and the Clerk to Council are each authorized, empowered, and directed to execute, acknowledge, and deliver the Fee Agreement in the name of and on behalf of the County, and to cause the executed Fee Agreement to be delivered to the Company. The Fee Agreement is to be in substantially the form now before this meeting, with such changes therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, on the advice of Counsel to the County, such official's execution thereof to constitute conclusive evidence of such official's approval of any and all changes or revisions therein from the form of the Fee Agreement now before this meeting.

Section 4. ***Multi-County Park.*** The County hereby designates the Project and the Project Site as being subject to contractual arrangement between the County and Sumter regarding the Park and agrees to use commercially reasonable efforts to maintain such designation pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13(D) of the State Constitution, for a duration, which facilitate the special source revenue credits set forth in the recitals of this Ordinance, and to provide notice of such designation to Sumter.

Section 5. ***Acknowledgement of and Administration of the Grant.*** The Council acknowledges that the State intends to enter into the Grant Agreement to provide for the Grant and the Council intends to accept and administer the Grant and execute and deliver each Grant Agreement.

Section 6. ***Authorization for County Officials to Act.*** The Chairman of the Council, the Clerk to Council, and the County Administrator, for and on behalf of the County, are each authorized and directed to do each thing that is reasonably necessary and prudent to effect the execution and delivery of the Fee Agreement, (and to the extent necessary and/or appropriate) and/or the Grant Agreement, and the performance of all obligations of the County under and pursuant to this Ordinance and Fee Agreement, (and to the extent necessary and/or appropriate) and/or the Grant Agreement.

Section 7. ***General Repealer.*** Each order, resolution, ordinance, or part of the same in conflict with this Ordinance, is, to the extent of that conflict, repealed.

Section 8. ***Effective Date.*** This Ordinance is effective at its approval following a public hearing and third reading.

[SIGNATURE PAGE AND TWO EXHIBITS FOLLOW]
[REMAINDER OF PAGE SUBSTANTIVELY BLANK]

CLARENDON COUNTY COUNCIL
OFFICIAL SEAL
STATE OF S.C.

CLARENDON COUNTY, SOUTH CAROLINA

Chairman
Clarendon County Council

(SEAL)
ATTEST:

Clerk to County Council

First Reading:	October 13, 2025
Second Reading:	November 10, 2025
Public Hearing:	November 10, 2025
Third Reading:	December 8, 2025

EXHIBIT A

DESCRIPTION OF PROJECT UNITY PROPERTY

Parcel One:

All that certain piece, parcel, or lot of land and the improvements thereon, lying, being, and situate in School District No. 1, Clarendon County, South Carolina, being a 47.58-acre tract shown on a plat by Joseph R. Edwards, dated February 6, 2001, beginning at the centerline junction of U.S. Highway No. 301 and State Road S-14-420 (recorded as S- l 4-42C) the point of commencement, and proceeding S-51°57'08"-W for a distance of 3015.22' to a¾" solid rod found at the southeastern corner of the subject property on the northern right of U.S. Highway 301, the point of beginning. Thence S-51°02'00"-W along said right of way for a distance of 1,200.00' to a¾" pipe found on the northern right of way of U.S. Highway No. 301. Thence N-38°45'16"-W along a common line with New World Investments, L.P. fora distance of 1554.75' to a#4 rebar set in the center of a canal ditch. Thence N-16°32'03"-E along a common line with New World Investments, L.P. for a distance of 26.61' to a #4 rebar set in the center of a canal ditch. Thence N-27°07'46"-E (recorded as N-27°07"46"-E along a common line with New World Investments, L.P. for a distance of 48. l 9'to a #4 rebar set in the center of a canal ditch. Thence N-25°23'00"-E along a common line with New World Investments, L.P. for a distance of99.69' to a #4 rebar set in the center of a canal ditch. Thence N-19°58'30"-E along a common line with New World Investments, L.P. for a distance of 151.32' to a #4 re bar set in the center of a canal ditch; Thence N-34°28'46"-E along a common line with New World Investments, L.P. for a distance of 194.32' to a #4 rebar set in the center of a canal ditch. Thence N-45°39'57"-E along a common line with New World Investments, L.P. for a distance of 195.87' to a #4 rebar set in the center of a canal ditch. Thence N-56°09'25"-E along a common line with New World Investments, L.P. for a distance of 149.69' to a #4 rebar set in the center of a canal ditch. Thence N-47°49'59"-E along a common line with New World Investments, L.P. for a distance of 167.12' to a #4 rebar set in the centerline junction of two canal ditches. Thence N-73°29'25"-E along a common line with New World Investments, L.P. for a distance of 238.36' to a #4 rebar set in the center of a canal ditch. Thence S-38°45'06"-E along a common line with New World Investments, L.P. for a distance of 1687.99' fir a¾" solid rod found on the northern right of way of U.S. Highway No. 301, known as the point of beginning.

TMS #098-00-00-005-00
Property Address: 9104 Alex Harvin Hwy, Summerton, SC 29148

Parcel Two:

ALL that certain piece, parcel or tract of land, together will all improvements thereon, lying, being and situate in the County of Clarendon, State of South Carolina, being designated as Tract "A" containing 52.30 acres on a plat entitled, "ALTA-ACSM Land Title Survey" prepared for Kent International, Inc. by Mathis & Muldrow Land Surveying, Inc., dated January 20, 2014, and recorded in Plat Book 1136, at page 2 in the Office of the Register of Deeds for Clarendon County. ALSO: ALL that certain piece, parcel or tract of land, together will all improvements thereon, lying, being and situate in the County of Clarendon, State of South Carolina, being designated as Tract "B" containing .24 of an acre on a plat entitled, "ALTA ACSM Land Title Survey" prepared for Kent International, Inc. by Mathis & Muldrow Land Surveying, Inc., dated January 20, 2014, and recorded in Plat Book 1136, at page 2 in the Office of the Register of Deeds for Clarendon County. Reference being made to said plat pursuant to South Carolina Code of Laws Section 30-5-250 (1976, as amended) for a more complete and accurate description as to the metes, bounds, courses and/or distances of the property delineated therein.

Clarendon County TMS #188-00-02-008-00
Property Address: 3033 Greeleyville Highway, Manning, SC 29102

EXHIBIT B

FORM OF FEE IN-LIEU OF *AD VALOREM* TAXES AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT

FEE IN LIEU OF *AD VALOREM* TAXES AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT

By and Between

CLARENDON COUNTY, SOUTH CAROLINA

and

AAPEX MANUFACTURING LLC A/K/A PROJECT UNITY

Dated as of December 31, 2025

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As permitted under Section 12-44-55(B), Code of Laws of South Carolina 1976, as amended ("Code"), the parties have agreed to waive the requirements of Section 12-44-55 of the Code. The following is a summary of the key provisions of the following agreement. This summary is inserted for only convenience and does limit the agreement.

<table>
<tr><td>Company Name:</td><td>Aapex Manufacturing LLC</td><td>Project Name:</td><td>Project Unity</td></tr>
<tr><td>Projected Taxable Investment:</td><td>$53,600,000</td><td>Projected Jobs:</td><td>504</td></tr>
<tr><td>Location (street):</td><td>9104 Alex Harvin Hwy
Summerton, SC 29148
3033 Greeleyville Hwy
Manning, SC 29102</td><td>Tax Map Nos.:</td><td>098-00-00-005-00
188-00-02-008-00</td></tr>
<tr><td>1. FILOT</td><td colspan="3"></td></tr>
<tr><td>Required Investment:</td><td>$53,600,000</td><td>Required Jobs:</td><td>504</td></tr>
<tr><td>Investment Period:</td><td>Five Years</td><td>Ordinance No./Date:</td><td>2025-14</td></tr>
<tr><td>Assessment Ratio:</td><td>6%</td><td>Term (years):</td><td>30 years</td></tr>
<tr><td>Fixed or Adjustable Millage:</td><td>Fixed; 421.6 mills</td><td>Net Present Value (if yes, discount rate):</td><td>No</td></tr>
<tr><td>Clawback information:</td><td colspan="3">Complete removal of fee benefit if FILOT Act Minimum Investment Requirement or Contract Minimum Investment Requirement and/or Jobs Creation Minimum Requirement not met.</td></tr>
<tr><td>2. MCIP</td><td colspan="3"></td></tr>
<tr><td>Included in an MCIP:</td><td colspan="3">Yes</td></tr>
<tr><td>If yes, Name & Date:</td><td colspan="3">Clarendon-Sumter: December 31, 2010</td></tr>
<tr><td>3. Special Source Credits</td><td colspan="3"></td></tr>
<tr><td>Percentage of Fees and No. of Years:</td><td colspan="3">Special Source Credits in years one through 20 equal to 30 percent of each year's FILOT payments</td></tr>
<tr><td>Clawback information:</td><td colspan="3">Repayment of all special source revenue credits received and removal of all future benefits.</td></tr>
<tr><td>4. Other information</td><td colspan="3"></td></tr>
</table>

FEE IN LIEU OF *AD VALOREM* TAXES AND
SPECIAL SOURCE REVENUE CREDIT AGREEMENT

THIS FEE IN LIEU OF *AD VALOREM* TAXES AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT ("***Agreement***") is made and entered into as of December 31, 2025, by and between CLARENDON COUNTY, SOUTH CAROLINA ("County"), a body politic and corporate and a political subdivision of the State of South Carolina ("State"), acting by and through the Clarendon County Council ("Council") as the governing body of the County, and Aapex Manufacturing LLC (previously known to the County and the State as "Project Unity"), a corporation organized and existing under the laws of the State of Georgia ("Company").

RECITALS

1. The County, acting by and through the 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") and, as to Section 4-1-175 (with reference to and inclusion of Section 4-29-68) ("Special Source 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 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 designate property as subject to a joint county industrial or business park arrangement ("Multi-County Park") created with an adjoining county in the State pursuant to an agreement entered into pursuant to Section 4-1-170 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution, if the subject property is not already designated as subject to a Multi-County Park arrangement as of the date of this Agreement, in order to allow for certain enhanced income tax credits to investors and to facilitate the grant of Special Source Credits.

2. The Company is considering the establishment of a manufacturing facility and related improvements at one or more locations in the County ("Project"), formerly known as "Project Unity," and anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, in the aggregate, $53,600,000 in taxable property in the Project and will create, or cause to be created, in the aggregate, approximately 504 new, full-time jobs within the County, all by the end of the Investment Period (as defined herein) and as set forth in greater detail in this Agreement.

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

4. In accordance with such findings and determinations and in order to induce the Company to locate the Project in the County, the Council adopted a Resolution on October 13, 2025 ("Inducement

Resolution"), whereby the County agreed to provide the benefits of a Negotiated FILOT and a Multi-County 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.

5. The Project is designated, or if not so designated as of the date of this Agreement, the County intends to use commercially reasonable efforts to designate the Project as being subject to a Multi-County Park arrangement no later than December 31, 2026.

6. Based solely on the information supplied 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. 2025-14 enacted by the Council on December 8, 2025, 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 contributes 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:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions

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

"Administration Expenses" shall mean the reasonable and necessary expenses actually incurred by the County with respect to this agreement, including without limitation reasonable and actual attorneys' fees (such attorneys' fees will not exceed (a) $10,000 in calendar year 2025, and (b) $1,000 per year for each calendar year thereafter), without prior written consent of the Company; provided, however, that no such expense shall be considered an Administration Expenses until the County has furnished to the Company a general statement in writing (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 nor is the County to make any arrangement with its legal counsel other than as is customary between the parties, for example, using a fixed fee arrangement) indicating the amount of such expense and the general reason the expense has been or will be incurred, provided, however, any limitation described in this definition does not apply to reimbursements of costs, fees, or other expenses as contemplated by Section 5.06 and Section 6.03.

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

"Agreement" shall mean this Fee in Lieu of *Ad Valorem* Taxes and Special Source Revenue Credit Agreement.

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

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

"Company" shall mean Aapex Manufacturing LLC, a corporation organized and existing under the laws of the State of Georgia and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets; or any other person or entity which may succeed to the rights and duties of the Company, subject to the Transfer Provisions (defined below) and any and all other notice and approval rights of the County as provided herein or under the Code.

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

"Contract Minimum Investment Requirement" shall mean, with respect to the Project, the aggregate investment by the Company and any Sponsor Affiliate(s) of at least $53,600,000 in Economic Development Property (which would be subject to *ad valorem* taxation in the absence of this Agreement) from the first day that Project property comprising all or a portion of the Project, excluding Land, is purchased or acquired, whether before or after the date of this Agreement, and ending at the end of the Investment Period.

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

"County Administrator" shall mean the Clarendon County Administrator, or the person holding any successor office or position of the County.

"County Assessor" shall mean the Clarendon County Assessor, or the person holding any successor office of the County.

"County Auditor" shall mean the Clarendon County Auditor, or the person holding any successor office of the County.

"Council" shall mean Clarendon County Council, the governing body of the County.

"County Treasurer" shall mean the Clarendon County Treasurer, or the person holding any successor office of the County.

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

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

"Department" shall mean the South Carolina Department of Revenue.

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

"Economic Development Property" shall mean those items of real and tangible personal property of the Project which are eligible for inclusion as economic development property under the Negotiated FILOT Act and which are placed in service during the Investment Period, as selected and identified by the Company or any Sponsor Affiliate(s) in its annual filings of a SCDOR PT-300 or comparable form with the Department (as such filing may be amended from time to time).

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

"Event of Default" shall mean any event of default specified in Section 6.01 hereof.

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

"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 Sponsor Affiliate(s) 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; or (c) property which previously has been placed in service in the State and previously has been subject to property taxes in the State which is purchased 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, Title 12 as of the time of the transfer if the Company has invested at least an additional $45,000,000 at the Project, which property shall qualify as negotiated FILOT property.

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

"FILOT Act Minimum Investment Requirement" shall mean, with respect to the Project, an investment of at least $2,500,000 by the Company, or of at least $5,000,000 by the Company and any Sponsor Affiliate(s) in the aggregate, in Economic Development Property.

"FILOT Act Minimum Investment 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 5th 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(14) of the Negotiated FILOT Act.

"Force Majeure" means the occurrence of any of the following: (i) fire; (ii) hurricanes, tornados, floods, and other exceptional weather events, including any such weather events declared/determined by the National Oceanic and Atmospheric Administration; (iii) strikes, lockouts or other labor or industrial disturbances; (iv) civil disturbance, act of public enemy, war, riot, terrorism sabotage or embargo; (v) earthquake or other natural disaster or acts of God; and (vi) other occurrences which result in major market impacts outside of the Company's control (e.g., pandemic), provided, however, no event shall act as an event of "force majeure" for more than three-years during the Term (as may be extended) of this Agreement.

"Improvements" shall mean improvements to the Land, including buildings, building additions, roads, hardscape, softscape, sewer lines, electric lines, gas lines, telecommunication lines and infrastructure, together with any and all additions, fixtures, upgrades, accessions, replacements, and substitutions thereto or therefor.

"Investment 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 5th 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.

"Jobs Creation Minimum Requirement" shall mean the creation of at least 504 net new, full-time, jobs at the Project during the Investment Period.

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

"Multi-County Park Act" shall mean Title 4, Chapter 1, of the Code, and all future acts successor or supplemental thereto or amendatory thereof.

"Multi-County Park Agreement" shall mean the Master Agreement Governing the Sumter-Clarendon Industrial Park Between Clarendon County, South Carolina, and Sumter County, South Carolina, dated December 31, 2010, as may have been supplemented, modified, and/or amended, and, as such agreement may be further supplemented, modified, amended, and/or replaced from time to time.

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

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

"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 property to include: (i) Existing Property; (ii) except as to Replacement Property, property which the Company or Sponsor Affiliate(s) 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 Sponsor Affiliate(s) has terminated the Negotiated FILOT as provided herein.

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

"Project" shall mean the Land and all the Improvements and Equipment that the Company determines to be necessary, suitable, or useful for the purposes described in Section 2.02(b) hereof, to the extent determined by the Company and any Sponsor Affiliate(s) to be a part of the Project, and any Replacement Property, but excluding Non-Qualifying Property.

"Removed Components" shall mean components of the Project or portions thereof which the Company or any Sponsor Affiliate(s) elects to remove from the Project pursuant to Section 3.07 hereof or as a result of any Condemnation Event.

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

"Special Source Act" shall mean Section 4-1-175 of the Code (with reference to and inclusion of Section 4-29-68).

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

"Special Source Credits Reduction" shall mean the percentage by which the Company's Special Source Credits are to be reduced as calculated in Section 4.03(c)(ii).

"Special Source Improvements" shall mean to the extent paid for by Company or any Sponsor Affiliate(s), 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 Company given to the County, 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.

"Sponsor Affiliate(s)" shall mean an entity that joins with the Company and that participates in the investment in, or financing of, the Project and which meets the requirements under the Negotiated FILOT Act to be entitled to the benefits of this Agreement with respect to its participation in the Project, all as set forth in Section 5.13 hereof. As of the original execution and delivery of this Agreement, the only Sponsor is the Company and there is no Sponsor Affiliate.

"State" shall mean the State of South Carolina.

"Termination Date" shall mean, with respect to each Phase of the Project, the end of the last day of the property tax year which is the 29th year following the first property tax year in which such Phase of the Project is placed in service; provided, that the intention of the parties is that the Company will make at least 30 annual FILOT Payments under Article III hereof with respect to each Phase of the Project; and provided further, that if this Agreement is terminated earlier in accordance with the terms hereof, the Termination Date shall mean the effective date of such termination.

"Transfer Provisions" shall mean the provisions of Section 12-44-120 of the Negotiated FILOT Act, concerning, among other things, the necessity of obtaining County consent to certain transfers and such other provisions contained herein which may grant County any notice or approval rights including, but not limited to, the provisions contained in Sections 5.05 and 5.09 below.

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

Section 1.02 Project-Related Investments

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

ARTICLE II
REPRESENTATIONS, WARRANTIES, AND AGREEMENTS

Section 2.01 Representations, Warranties, and Agreements of the County

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

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

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

(c) Each item of real and tangible personal property comprising the Project by the Company or any Sponsor Affiliate(s) and which is, to the extent permitted by the Negotiated FILOT Act, eligible to be Economic Development Property (but excluding any Non-Qualifying Property and any Removed Components) is Economic Development Property.

(d) The millage set forth in Step 3 of Section 4.01(a) hereof is 421.6, which is in effect with respect to the location of the proposed Project as of June 30, 2024, as permitted under Section 12-44-50(A)(1)(d) of the Negotiated FILOT Act, and which millage rate shall be fixed for the life of the fee and for the entire term of this Agreement in accordance with Section 12-44-50(A)(1)(b)(i) of the Negotiated FILOT Act, during the Exemption Period against the taxable value to determine the amount of the FILOT Payments due during the Exemption Period on the applicable payment dates.

(e) The County will use its commercially reasonable efforts to cause the location of the Project to be designated a Multi-County Park for a term extending at least until the end of the period of FILOT Payments.

Section 2.02 Representations, Warranties, and Agreements of the Company

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

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

(b) The Company intends to operate the Project as a "project" within the meaning of the Negotiated FILOT Act as in effect on the date hereof. The Company intends to operate the Project for the purpose of establishing a new manufacturing facility and for such other purposes that the Negotiated FILOT Act permits as the Company may deem appropriate.

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

(d) The Company, together with any Sponsor Affiliate(s), will use commercially reasonable efforts to meet, or cause to be met, (i) the Contract Minimum Investment Requirement and (ii) the Jobs Creation Minimum Requirement, all within the Investment Period.

ARTICLE III
COMMENCEMENT AND COMPLETION OF THE PROJECT

Section 3.01 The Project

(a) The Company intends and expects, together with any Sponsor Affiliate(s), to (i) construct and acquire the Project, and (ii) meet the Contract Minimum Investment Requirement and the Jobs Creation Minimum Requirement within the Investment Period. The Company anticipates that the first Phase of the Project will be placed in service during the calendar year ending December 31, 2027.

(b) Pursuant to the Negotiated FILOT Act and subject to Section 4.01 hereof, the Company and the County hereby agree that the Company and any Sponsor Affiliate(s) shall identify annually those assets which are eligible for FILOT Payments under the Negotiated FILOT Act and which the Company or any

Sponsor Affiliate(s) selects for such treatment by listing such assets in its annual PT-300 form (or comparable form) to be filed with the Department (as such may be amended from time to time) and that by listing such assets, such assets shall automatically become Economic Development Property and therefore be exempt from all *ad valorem* taxation during the Exemption Period. Anything contained in this Agreement to the contrary notwithstanding, the Company and any Sponsor Affiliate(s) shall not be obligated to complete the acquisition of the Project; provided, however, if the Company, together with any Sponsor Affiliate(s), does not meet (i) the FILOT Act Minimum Investment Requirement within the FILOT Act Minimum Investment Period, then the provisions of Section 4.03(a) hereof shall control.

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

(d) Subject to the provisions of Section 4.04 below, in any instance where the Company or any Sponsor Affiliate(s) in its discretion determines that any items included in the Project have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, then the Company or any Sponsor Affiliate(s) may remove such items or portions 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, all as such may be permitted under the Negotiated FILOT Act.

Section 3.02 Diligent Completion

The Company agrees to use its reasonable efforts to cause the completion of the Project as soon as practicable and on or prior to the end of the Investment Period.

Section 3.03 Filings and Reports

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

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

(c) The Company, and each Sponsor Affiliate(s), agree to maintain complete books and records accounting for the acquisition, financing, construction, and operation of the Project. Such books and records shall (i) permit ready identification of the various Phases and components thereof; (ii) confirm the dates on which each Phase was placed in service; and (iii) include copies of all filings made by the Company and any such Sponsor Affiliate(s) in accordance with Section 3.03(a) or (b) above with respect to property placed in service as part of the Project.

ARTICLE IV
FILOT PAYMENTS

Section 4.01 FILOT Payments

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

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

Step 2: Apply an assessment ratio of 6% to the fair market value in Step 1 to establish the taxable value of the Economic Development Property (or each Phase of the Economic Development Property) in the year it is placed in service and in each of the 29 years thereafter or such longer period of years in which the Negotiated FILOT Act permits the Company and any Sponsor Affiliate(s) to make annual FILOT Payments.

Step 3: Use a millage of 421.6 during the Exemption Period, which millage rate shall be fixed for the life of the fee and for the entire term of this Agreement in accordance with Section 12-44-50(A)(1)(b)(i) of the Negotiated FILOT Act, during the Exemption Period, and applied against the taxable value to determine the amount of the FILOT Payments due during the Exemption Period on the applicable payment dates.

In the event that a final order of a court of competent jurisdiction from which no further appeal is allowable holds that the Negotiated FILOT 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 Sponsor Affiliate 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 Sponsor Affiliate 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 Sponsor Affiliate 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.

Section 4.02 Special Source Credits

(a) In accordance with and pursuant to Section 12-44-70 of the Negotiated FILOT Act and Section 4-1-175 of the Multi-County Park Act, in order to reimburse the Company for investments in Special Source Improvements during the Investment Period, the Company shall be entitled to receive, and the County agrees to provide, annual Special Source Credits against the Company's FILOT Payments for a period of 20 consecutive years, beginning with the Company's first FILOT Payment due under this Agreement, in an amount equal to 30% of each year's FILOT payments. Such FILOT Payments are those payments payable by the Company with respect to the Project investment made by the Company in the Project during the Investment Period.

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

(c) In no event shall the aggregate amount of all Special Source Credits claimed by the Company exceed the amount expended with respect to the Special Source Improvements at any point in time.

(d) The Company shall be responsible for making written annual certification as to compliance with the provisions of the preceding subsection through the delivery of a certification in substantially the form attached hereto as Exhibit C in accordance with subsection 4.02(e), below.

(e) As provided in Section 4-29-68 of the Code, to the extent any Special Source Credit is taken against FILOT Payments 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 Payments due on the removed personal property for the year in which such personal property was removed from the Project shall be due for the 2 years immediately following such removal.

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

(g) **THE SPECIAL SOURCE CREDITS ARE PAYABLE SOLELY FROM THE FILOT PAYMENTS, ARE NOT SECURED BY, OR IN ANY WAY ENTITLED TO, A PLEDGE OF THE FULL FAITH, CREDIT OR TAXING POWER OF THE COUNTY, ARE NOT AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION, ARE PAYABLE SOLELY FROM A SPECIAL SOURCE THAT DOES NOT INCLUDE REVENUES FROM ANY TAX OR LICENSE, AND ARE NOT A PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST THE GENERAL CREDIT OR TAXING POWER OF THE COUNTY.**

Section 4.03 Failure to Achieve Investment and/or Job Requirements

(a) In the event the Company, together with any Sponsor Affiliate(s), by the end of the FILOT Act Minimum Investment Period, fails to meet either (i) the FILOT Act Minimum Investment Requirement, or (ii) the Contract Minimum Investment Requirement and/or Jobs Creation Minimum Requirement, then this Agreement shall terminate and the Company and any Sponsor Affiliate(s) shall be obligated to pay the County an amount which is equal to the excess, if any, of (i) the total amount of *ad valorem* taxes as would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the items of property comprising the Economic Development Property were not Economic Development Property, but with appropriate reductions equivalent to all tax exemptions and abatements to which the Company and such Sponsor Affiliate(s) would be entitled in such a case, through and including the end of the Investment Period, over (ii) the total amount of FILOT Payments the Company and such Sponsor Affiliate(s) have made with respect to the Economic Development Property (after taking into account any Special Source Credits received) (such excess, "***Deficiency Amount***") for the period through and including the end of the Investment Period. Any amounts determined to be owing pursuant to the foregoing sentence shall be payable to the County on or before the 30th day following the last day of the Investment Period.

(b) Any payment made under this Section 4.03, shall be due no more than fifteen (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 Negotiated FILOT Act.

(c) As a condition to the FILOT and Special Source Credit benefit provided herein, and to claim each annual Special Source Credit, no less than 90 days prior to the date after which *ad valorem* taxes become delinquent, the Company agrees to provide the County Administrator, the County Assessor, the County Auditor and the County Treasurer with an annual certification as to investment in the Project and the cumulative number of new, full-time jobs created by the Company with respect to the Project with respect to the immediately preceding tax year. Such certification shall be in substantially the form attached hereto as Exhibit B. The County may request information reasonably necessary to confirm the information (including the calculation) on such certification prior to amending and transmitting the applicable tax bill(s). If the information contained on such 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 such 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 90 prior to the date after which *ad valorem* taxes become delinquent for such year but shall be entitled to receive the Special Source Credit in future years if such 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, until such outstanding amounts have been paid.

Section 4.04 Removal of Equipment

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

Section 4.05 FILOT Payments on Replacement Property

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

(i) Replacement Property does not have to serve the same function as the Economic Development Property it is replacing. Replacement Property is deemed to replace the oldest Economic Development Property subject to the Fee, whether real or personal, which is disposed of in the same property tax year in which the Replacement Property is placed in service. Replacement Property qualifies as Economic Development Property only to the extent of the original income tax basis of

Economic Development Property which is being disposed of in the same property tax year. More than one piece of property can replace a single piece of Economic Development Property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to annual payments calculated as if the exemption for Economic Development Property were not allowable. Replacement Property is entitled to treatment under the Agreement for the period of time remaining during the Exemption Period for the Economic Development Property which it is replacing; and

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

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

In the event of a Diminution in Value of the Economic Development Property, the Payment in Lieu of Taxes with regard to the Economic Development Property shall be reduced in the same proportion as the amount of such Diminution in Value bears to the original fair market value of the Economic Development Property as determined pursuant to Step 1 of Section 4.01(a) hereof; *provided, however,* that if at any time subsequent to the end of the Investment Period, the total value of the Project remaining in the County based on the original income tax basis thereof (that is, without regard to depreciation), is less than the FILOT Act Minimum Investment Requirement, then beginning with the first payment thereafter due hereunder and continuing until the Termination Date, the Project shall no longer be entitled to the incentive provided in Section 4.01 or in Section 4.02, and the Company and any Sponsor Affiliate(s) shall therefore commence to pay regular *ad valorem* taxes thereon, calculated as set forth in Section 4.03 hereof.

ARTICLE V
PARTICULAR COVENANTS AND AGREEMENTS

Section 5.01 Cessation of Operations

Notwithstanding any other provision of this Agreement, each of the Company and any Sponsor Affiliate(s) acknowledges and agrees that County's obligation to provide the FILOT incentive ends, and this Agreement is terminated, if the Company ceases operations at the Project. For purposes of this Section, "ceases operations" means closure of the facility or the cessation of production and shipment of products to customers for a continuous period of 12 months; provided, however, that if such cessation arises from or is the result of Force Majeure, the Company shall not be deemed to have ceased operations at the Project. The provisions of Section 4.03(a) hereof relating to retroactive payments shall apply, if applicable, if this Agreement is terminated in accordance with this Section prior to the end of the Investment Period. Each of the Company and any Sponsor Affiliate(s) agrees that if this Agreement is terminated pursuant to this Section, that under no circumstance shall the County be required to refund or pay any monies to the Company or any Sponsor Affiliate(s).

Section 5.02 Rights to Inspect

The Company agrees that the County and its authorized agents shall have the right at all reasonable times and upon prior reasonable written notice to enter upon and examine and inspect the Project during normal business hours. The County and its authorized agents shall also be permitted, at all reasonable times and upon prior reasonable notice, to have access to examine and inspect the Company's South Carolina property tax returns, as filed. For the avoidance of doubt, the County's rights to inspect under this Section 5.02 do not include the right to copy, in any manner whatsoever including photographing, or remove records or other documents from the Project. The aforesaid rights of examination and inspection shall be exercised only upon such reasonable and necessary terms and conditions as the Company shall prescribe, and shall be subject to the provisions of Section 5.03 hereof.

Section 5.03 Confidentiality

The County acknowledges and understands that the Company and any Sponsor Affiliate(s) may utilize confidential and proprietary processes and materials, services, equipment, trade secrets, and techniques, and may generate or utilize confidential financial information or other non-public information about the Company's organization, facilities, operations, processes, and personnel including observations made by the County or its representatives pursuant to the County's rights to inspect pursuant to Section 5.02 (herein "***Confidential Information***"). In this regard, the Company and any Sponsor Affiliate(s) may either (i) redact or not provide Confidential Information to the County or (ii) clearly label any Confidential Information delivered to the County "Confidential Information." The County agrees that, except as required by law, neither the County nor any employee, agent, authorized representative or contractor of the County shall disclose or otherwise divulge any such clearly labeled Confidential Information to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by law. Each of the Company and any Sponsor Affiliate(s) acknowledge that the County is subject to the South Carolina Freedom of Information Act, and, as a result, is entitled to disclose certain documents and information on request, absent an exemption that is exercised by the County. In the event that the County is required to disclose any Confidential Information obtained from the Company or any Sponsor Affiliate(s) to any third party, the County agrees to provide the Company and such Sponsor Affiliates with as much advance notice as is reasonably possible of such requirement before making such disclosure, and to cooperate reasonably with any attempts by the Company and such Sponsor Affiliate(s) to obtain judicial or other relief from such disclosure requirement.

Section 5.04 Limitation of County's Liability

Anything herein to the contrary notwithstanding, any financial obligation the County may incur hereunder, including for the payment of money, shall not be deemed to constitute a pecuniary liability or a debt or general obligation of the County (it being intended herein that any obligations of the County with respect to the Special Source Credits shall be payable only from FILOT Payments received from or payable by the Company or by any Sponsor Affiliate); provided, however, that nothing herein shall prevent the Company from enforcing its rights hereunder by suit for *mandamus* or specific performance. 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.

Section 5.05 Mergers, Reorganizations and Equity Transfers

Each of the Company and any Sponsor Affiliate(s) acknowledges that any mergers, reorganizations or consolidations of the Company and such Sponsor Affiliate(s) may cause the Project to become ineligible for FILOT Payments under the Negotiated FILOT Act absent compliance by the Company and such Sponsor Affiliates with the Transfer Provisions; provided that, to the extent provided by Section 12-44-120 of the Negotiated FILOT Act or any successor provision, any financing arrangements entered into by the Company or any Sponsor Affiliate(s) with respect to the Project and any security interests granted by the Company or any Sponsor Affiliate(s) in connection therewith shall not be construed as a transfer for purposes of the Transfer Provisions.

Section 5.06 Indemnification Covenants

(a) Except as provided in Section 5.06(d) of this Agreement, 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 reasonable attorneys' fees, actually incurred in connection with the response to or defense against such liability or claims as described in Section 5.06(a) of this Agreement. The County shall provide a statement of the costs incurred in the response or defense, and the Company shall pay the County within thirty (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 a claim described in Section 5.06(a) of this Agreement 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, which consent shall not be unreasonably withheld, conditioned or delayed.

(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; or (ii) resulting from that Indemnified Party's own negligence, bad faith, fraud, deceit, or willful misconduct.

(e) Notwithstanding the foregoing, the Company, shall not be obligated to indemnify the County or any of its individual members, officers, agents, and employees 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.

(f) 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 5.07 Qualification in State

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

Section 5.08 No Liability of County's Personnel

All covenants, stipulations, promises, agreements and obligations of the County contained 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 5.09 Assignment, Leases or Transfers

The County agrees that the Company and any Sponsor Affiliates may at any time (a) transfer all or any of their rights and interests under this Agreement or with respect to all or any part of the Project, or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing or other entity with respect to this Agreement or all or any part of the Project, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such portion of the Project, whereby the transferee in any such arrangement leases the portion of the Project in question to the Company or any Sponsor Affiliate(s) or operates such assets for the Company or any Sponsor Affiliate(s) or is leasing the portion of the Project in question from the Company or any Sponsor Affiliate(s). In order to preserve the FILOT benefit afforded hereunder with respect to any portion of the Project so transferred, leased, financed, or otherwise affected: (i) except in connection with any transfer to an Affiliate of the Company or of any Sponsor Affiliate(s), or transfers, leases, or financing arrangements pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company and any Sponsor Affiliate(s), as applicable, shall obtain the prior consent or subsequent ratification of the County which consent or subsequent ratification may be granted by the County in its sole discretion; (ii) except when a financing entity which is the income tax owner of all or part of the Project is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company or any Sponsor Affiliate(s), as the case may be, hereunder, or when the County consents in writing, no such transfer shall affect or reduce any of the obligations of the Company and any Sponsor Affiliate(s) hereunder; (iii) to the extent the transferee or financing entity shall become obligated to make FILOT Payments hereunder, the transferee shall assume the then current basis of, as the case may be, the Company or any Sponsor Affiliates (or prior transferee) in the portion of the Project transferred; (iv) the Company or applicable Sponsor Affiliate(s), transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department a true and complete copy of any such transfer agreement; and (v) the Company, the Sponsor Affiliate(s) and the transferee shall comply with all other requirements of the Transfer Provisions.

Subject to County consent when required under this Section, and at the expense of the Company or any Sponsor Affiliate(s), as the case may be, and subject to the County's having received such indemnification, documents, and other assurances as the County, in its reasonable discretion, may require, the County agrees to take such further action or execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or such Sponsor Affiliate(s) under this Agreement and/or any release of the Company or such Sponsor Affiliate(s) pursuant to this Section.

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

Section 5.10 Administration Expenses

The Company agrees to pay any Administration Expenses to the County when and as they shall become due, but in no event later than the date which is the earlier of any payment date expressly provided for in this Agreement or the date which is 30 days after receiving written notice from the County, accompanied by such supporting documentation as the County may be necessary to evidence the County's or Indemnified Party's right to receive such payment, specifying the nature of such expense and requesting payment of same.

Section 5.11 Priority Lien Status

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

Section 5.12 Interest; Penalties

In the event the Company or any Sponsor Affiliate(s) should fail to make any of the payments to the County required under this Agreement, then the item or installment so in default shall continue as an obligation of the Company or such Sponsor Affiliate(s) until the Company or such Sponsor Affiliate(s) shall have fully paid the amount, and the Company and any Sponsor Affiliate(s) agree, as applicable, to pay the same with interest thereon at a rate, unless expressly provided otherwise herein and in the case of FILOT Payments, of the lesser of (a) 5% per annum and (b) the highest amount permitted by law related to the failure of a taxpayer to make any *ad valorem* tax payment when due, each compounded monthly, to accrue from the date on which the payment was due and, in the case of FILOT Payments, at the rate for non-payment of *ad valorem* taxes under State law and subject to the penalties the law provides until payment, all as permitted generally by State law and/or by Section 12-44-90 of the Negotiated FILOT Act.

Section 5.13 Sponsor Affiliate(s)

Upon request of and at the expense of the Company, the County may approve any future Sponsor Affiliate that qualifies under the Negotiated FILOT Act for the benefits offered under this Agreement, which, in Sponsor Affiliate each case, 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 D, 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 5.13 within sixty (60) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service negotiated FILOT property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Negotiated FILOT Act.

ARTICLE VI
DEFAULT

Section 6.01 Events of Default

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

(a) Failure by the Company or any Sponsor Affiliate(s) to make any FILOT Payment described in Sections 4.01(a) or 4.03(a)-(b) hereof, or any other amounts payable to the County under this Agreement when due, which failure shall not have been cured within 30 days following receipt of written notice (which notice may include an invoice for payment) thereof from the County; provided, however, that the Company and any Sponsor Affiliate(s) shall be entitled to all redemption rights granted by applicable statutes;

(b) reserved;

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

(d) reserved; or

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

Section 6.02 Remedies Upon Default

Whenever any Event of Default by the Company, any Sponsor Affiliate(s), or the County (each, "***Defaulting Entity***") shall have occurred and shall be continuing, the non-defaulting entity may take any one or more of the following remedial actions as to the Defaulting Entity:

(i) bring an action for specific enforcement;

(ii) terminate this Agreement; and/or

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

In addition to all other remedies provided herein, the failure to make any FILOT payment shall give rise to a lien for tax purposes as provided in Section 12-44-90 of the Negotiated FILOT Act. In this regard, and notwithstanding anything in this Agreement to the contrary, the County may exercise the remedies that general law (including Title 12, Chapter 49 of the Code) provides with regard to the collection of *ad valorem* taxes to collect any FILOT payments due hereunder.

Section 6.03 Reimbursement of Legal Fees and Expenses and Other Expenses

Upon the occurrence of an Event of Default hereunder by the County, Company or any Sponsor Affiliate(s), should a non-defaulting 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 non-defaulting party shall be entitled, within 30 days of demand therefor, to reimbursement from the defaulting party of the reasonable costs and fees of such attorneys and such other reasonable expenses so incurred.

Section 6.04 No Waiver

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

ARTICLE VII
MISCELLANEOUS

Section 7.01 Notices

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

If to the Company:
Aapex Manufacturing LLC
638 Crawford Ave.
Augusta, GA 30904

With a copy (which shall not constitute notice) to:
Ann Ensenbach
638 Crawford Avenue
Augusta, Georgia 30904

If to the County:
Clarendon County, South Carolina
Attention: County Administrator
411 Sunset Drive
Manning, South Carolina 29102

With a copy (which shall not constitute notice) to:
Business Development Corporation of Clarendon County
Attention: Executive Director
411 Sunset Drive
Manning, South Carolina 29102

With a copy (which shall not constitute notice) to:
Michael E. Kozlarek, Esq.
King Kozlarek Root Law LLC
Post Office Box 565
Greenville, South Carolina 29602-0565

Section 7.02 Binding Effect

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

Section 7.03 Counterparts

This Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument. This Agreement may be circulated for signature through electronic transmission, including, without limitation, facsimile and email, and all signatures so obtained and transmitted shall be deemed for all purposes under this Agreement to be original signatures and may conclusively be relied upon by any Party to this Agreement.

Section 7.04 Governing Law

This Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State, without regard to any conflict of law provisions that would provide for the application of the laws of another jurisdiction.

Section 7.05 Headings

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

Section 7.06 Amendments

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

Section 7.07 Further Assurance

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

Section 7.08 Invalidity; Change in Laws

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

Section 7.09 Termination by Company

The Company is authorized to terminate this Agreement at any time with respect to all or part of the Project upon providing the County with 30 days' written notice; *provided, however,* that (i) any monetary obligations existing hereunder and due and owing at the time of termination to a party hereto (including, without limitation, any amounts owed with respect to Article IV hereof); and (ii) any provisions which are intended to survive termination, for example, the indemnification provisions of Section 5.06, shall survive such termination. In the year following such termination, all property shall be subject to *ad valorem* taxation or such other taxation or fee in lieu of taxation that would apply absent this Agreement and the Company will not be required to make any FILOT Payments with respect to any property.

Section 7.10 Entire Understanding

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

Section 7.11 Waiver

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

Section 7.12 Business Day

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

Section 7.14 State Law Considerations

The authorization, execution, and delivery of this Agreement and any obligations of the County under this Agreement are subject any law that may relate to the FILOT Payments and/or Special Source Credits, or both, and State law generally. This Agreement and any obligations of the County under this Agreement are not intended to violate State law in any respect.

[ONE SIGNATURE PAGE AND FOUR EXHIBITS FOLLOW]
[REMAINDER OF PAGE SUBSTANTIVELY BLANK]

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

CLARENDON COUNTY OFFICIAL SEAL STATE OF S.C.

CLARENDON COUNTY, SOUTH CAROLINA

By: 12/10/25
County Administrator

[SEAL]

Attest:

Dorothy M. Levy
Clerk to County Council

AAPEX MANUFACTURING LLC

By:____________________________
Name: ____________________________
Its: ____________________________

EXHIBIT A
LEGAL DESCRIPTION

Parcel One:

All that certain piece, parcel, or lot of land and the improvements thereon, lying, being, and situate in School District No. 1, Clarendon County, South Carolina, being a 47.58-acre tract shown on a plat by Joseph R. Edwards, dated February 6, 2001, beginning at the centerline junction of U.S. Highway No. 301 and State Road S-14-420 (recorded as S- 1 4-42C) the point of commencement, and proceeding S-51°57'08"-W for a distance of 3015.22' to a¾" solid rod found at the southeastern corner of the subject property on the northern right of U.S. Highway 301, the point of beginning. Thence S-51°02'00"-W along said right of way for a distance of 1,200.00' to a¾" pipe found on the northern right of way of U.S. Highway No. 301. Thence N-38°45'16"-W along a common line with New World Investments, L.P. fora distance of 1554.75' to a#4 rebar set in the center of a canal ditch. Thence N-16°32'03"-E along a common line with New World Investments, L.P. for a distance of 26.61' to a #4 rebar set in the center of a canal ditch. Thence N-27°07'46"-E (recorded as N-27°07"46"-E along a common line with New World Investments, L.P. for a distance of 48. 1 9'to a #4 rebar set in the center of a canal ditch. Thence N-25°23'00"-E along a common line with New World Investments, L.P. for a distance of99.69' to a #4 rebar set in the center of a canal ditch. Thence N-19°58'30"-E along a common line with New World Investments, L.P. for a distance of 151.32' to a #4 re bar set in the center of a canal ditch; Thence N-34°28'46"-E along a common line with New World Investments, L.P. for a distance of 194.32' to a #4 rebar set in the center of a canal ditch. Thence N-45°39'57"-E along a common line with New World Investments, L.P. for a distance of 195.87' to a #4 rebar set in the center of a canal ditch. Thence N-56°09'25"-E along a common line with New World Investments, L.P. for a distance of 149.69' to a #4 rebar set in the center of a canal ditch. Thence N-47°49'59"-E along a common line with New World Investments, L.P. for a distance of 167.12' to a #4 rebar set in the centerline junction of two canal ditches. Thence N-73°29'25"-E along a common line with New World Investments, L.P. for a distance of 238.36' to a #4 rebar set in the center of a canal ditch. Thence S-38°45'06"-E along a common line with New World Investments, L.P. for a distance of 1687.99' fir a¾" solid rod found on the northern right of way of U.S. Highway No. 301, known as the point of beginning.

TMS #098-00-00-005-00
Property Address: 9104 Alex Harvin Hwy, Summerton, SC 29148

Parcel Two:

ALL that certain piece, parcel or tract of land, together will all improvements thereon, lying, being and situate in the County of Clarendon, State of South Carolina, being designated as Tract "A" containing 52.30 acres on a plat entitled, "ALTA-ACSM Land Title Survey" prepared for Kent International, Inc. by Mathis & Muldrow Land Surveying, Inc., dated January 20, 2014, and recorded in Plat Book 1136, at page 2 in the Office of the Register of Deeds for Clarendon County. ALSO: ALL that certain piece, parcel or tract of land, together will all improvements thereon, lying, being and situate in the County of Clarendon, State of South Carolina, being designated as Tract "B" containing .24 of an acre on a plat entitled, "ALTA ACSM Land Title Survey" prepared for Kent International, Inc. by Mathis & Muldrow Land Surveying, Inc., dated January 20, 2014, and recorded in Plat Book 1136, at page 2 in the Office of the Register of Deeds for Clarendon County. Reference being made to said plat pursuant to South Carolina Code of Laws Section 30-5-250 (1976, as amended) for a more complete and accurate description as to the metes, bounds, courses and/or distances of the property delineated therein.

Clarendon County TMS #188-00-02-008-00
Property Address: 3033 Greeleyville Highway, Manning, SC 29102

EXHIBIT B
INVESTMENT AND JOB CREATION CERTIFICATION

I __________, the __________ of __________ ("***Company***"), do hereby certify in connection with Section 4.01 of the Fee in Lieu of Tax and Incentive Agreement dated as of __________, 20__ between Clarendon County, South Carolina and the Company ("***Agreement***"), as follows:

(1) The total investment made by the Company and any Sponsor Affiliate(s) in the Project during the calendar year ending December 31, 20__ was $__________.

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

(3) The number of full-time jobs at the Company facilities where the Project is located was _____ persons as of __________, 20__ (the beginning date of the Investment Period).

(4) The number of net new, full-time jobs created at the Project since __________, 20__ (the beginning date of the Investment Period) is _____ persons.

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

IN WITNESS WHEREOF, I have set my hand this _____ day of __________, 20__.

AAPEX MANUFACTURING LLC

By: ______________________________
Name: ______________________________
Its: ______________________________

EXHIBIT C
SPECIAL SOURCE IMPROVEMENTS INVESTMENT CERTIFICATION

I __________, the __________ of __________ ("***Company***"), do hereby certify in connection with Section 4.02 of the Fee in Lieu of Tax and Incentive Agreement dated as of __________, 20__ between Clarendon County, South Carolina, and the Company ("***Agreement***"), as follows:

(1) As of the date hereof, the aggregate amount of Special Source Credits previously received by the Company and any Sponsor Affiliate(s) is $__________.

(2) As of December 31, 20__, the aggregate amount of investment in costs of Economic Development Property incurred by the Company and any Sponsor Affiliate(s) during the Investment Period is not less than $__________.

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

Personal Property Description	Investment Amount

(4) The Special Source Credit for the ____________________ tax year is calculated as follows:

	▯▯▯
Tax Bill	$[•]
Special Source Credit Percentage	[•]%
Special Source Credit	$[•]

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

IN WITNESS WHEREOF, I have set my hand this _____ day of __________, 20__.

AAPEX MANUFACTURING LLC

By: ______________________________
Name: ______________________________
Its: ______________________________

<u>EXHIBIT D</u>
JOINDER AGREEMENT

Reference is hereby made to (i) that certain Fee in Lieu of Tax and Incentive Agreement effective December 31, 2025 ("Agreement"), by and between Clarendon County, South Carolina ("County") and Aapex Manufacturing LLC ("Company").

1. **<u>Joinder to Agreement</u>.** The undersigned hereby (a) joins as a party to, and agrees to be bound by and subject to all of the terms and conditions of, the Agreement; (b) acknowledges and agrees that (i) in accordance the Agreement, the undersigned has been designated as a Sponsor Affiliate by the Company for purposes of the Project and such designation has been consented to by the County in accordance with the Negotiated FILOT Act (as defined in the Agreement); (ii) the undersigned qualifies or will qualify as a Sponsor Affiliate under the Agreement and Section 12-44-30(20) and Section 12-44-130 of the Negotiated FILOT Act; and (iii) the undersigned shall have all of the rights and obligations of a Sponsor Affiliate as set forth in the Agreement.

2. **<u>Capitalized Terms</u>**. All capitalized terms used but not defined in this Joinder Agreement shall have the meanings set forth in the Agreement.

3. **<u>Governing Law</u>**. This Joinder Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to principles of choice of law.

4. **<u>Notice.</u>** Notices under Section 7.01 of the Agreement shall be sent to:

[ ]

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement to be effective as of the date set forth below.

[JOINING COMPANY]

Signature: ______________________

Name: ______________________

Title: ______________________

IN WITNESS WHEREOF, the Company consents to the addition of the above-named entity becoming a Sponsor Affiliate under the Fee Agreement effective as of the date set forth above.

[][][],
a [][][] corporation

Signature: ______________________

Name: ______________________

Title: ______________________

IN WITNESS WHEREOF, the County consents to the addition of the above-named entity as a Sponsor Affiliate under the Agreement effective as of the date set forth above.

CLARENDON COUNTY, SOUTH CAROLINA

Signature: ______________________

Name: JOHN E. JOHNSON III

Title: CHAIRMAN OF COUNTY COUNCIL