Council Members
District 1: Terry Graham
District 2: Charlene McGriff
District 3: Billy Mosteller, Secretary
District 4: Jose Luis
District 5: Steve Harper, Chair
District 6: Allen Blackmon
District 7: Brian Carnes, Vice-Chair

County Administrator
Dennis E. Marstall

County Attorney
Ginny L. Merck-Dupont

Clerk to Council
Sherrie Simpson

October 9, 2023 | **6:00 PM** | **101 North Main Street, Lancaster, SC 29720**

LANCASTER COUNTY COUNCIL
County Council Chambers, County Administration Building, 101 North Main Street, Lancaster, SC 29720

AGENDA

1. **Call to Order Regular Meeting - Chairman Steve Harper**
2. **Welcome and Recognition - Chairman Steve Harper**
3. **Pledge of Allegiance and Invocation - Council Member Terry Graham**
4. **Approval of the Agenda**

   [deletion and additions of non-substantive matter]
5. **Citizens Comments**

   [Lancaster County Council welcomes comments and input from citizens who may not be able to attend Council meetings in person. Written comments may be submitted via mail to ATTN: Sherrie Simpson, Post Office Box 1809, Lancaster, SC, 29721, by email to Sherrie Simpson at ssimpson@lancastersc.net or by online submission by selecting the "Citizens Comments" quick link located on the County website homepage at https://www.mylancastersc.org/. Comments must be no longer than approximately 3 minutes when read aloud. Comments received will be acknowledged during the Citizens Comments portion of the meeting. Comments will need to be received prior to 4:00 p.m. on the day of the meeting. Please use the same link above in order to submit input/comments for Public Hearings. *Please note that any handouts presented to Council or Council Boards and Commissions become an official part of the record and a copy is attached to the legal minutes for the meeting.]
6. **Special Presentations**

   a. Presentation of the Sheriff's Association Life Saving Award to Officer Justin Tucker - Sheriff Barry Faile

   b. Request for the Health and Wellness Commission to Move Forward with a Grant Application - Presentation by Commission Member Robin Dawson and Commission Chair Emily Pierce

   c. Communications and Marketing Department Update - Brenda Thompson
7. **Consent Agenda**

   [Items listed under the Consent Agenda have previously been discussed by Council and approved

unanimously. As such, these items are normally voted on as a group through a single vote rather than with a Council vote for each individual item. However, any Council member may remove any item on the Consent Agenda for individual discussion and vote]

a. Approval of Minutes from the September 13, 2023 County Council Committee of the Whole Meeting

b. Approval of Minutes from the September 25, 2023 County Council Regular Meeting

8. <u>Non-Consent Agenda</u>

a. Public Hearing and 3rd Reading of Ordinance 2023-1874 regarding Approval of the Issuance of Certain Installment Purchase Revenue Bonds

Ordinance Title: An Ordinance Authorizing Lancaster County, South Carolina, To Enter Into A Base Lease And Conveyance Agreement And An Installment Purchase And Use Agreement Each Between The County And Lancaster County Public Facilities Corporation; Approving The Form And Terms Of A Trust Agreement Between Lancaster County Public Facilities Corporation And Regions Bank, As Trustee, In Connection With The Issuance Of Certain Installment Purchase Revenue Bonds (Lancaster County Project) In One Or More Series; Consenting To The Issuance Of Such Installment Purchase Revenue Bonds; Providing For An Exemption From The County's Procurement Code; Delegating Authority To The Chairman Of County Council And The County Administrator, Or Either Of Them Acting Alone, To Approve And Determine Certain Matters; And Other Matters Relating Thereto. ***- Passed 6-1 at the September 11, 2023 County Council Meeting (Allen Blackmon Opposed). Passed 3-1 at the September 25, 2023 County Council Meeting (Allen Blackmon Opposed; Terry Graham, Jose Luis, and Charlene McGriff Absent). - Dennis Marstall / Frannie Heizer / Brian Nurick***

b. Public Hearing and 3rd Reading of Ordinance 2023-1866 regarding Approval of a Fee In Lieu of Tax and Incentive Agreement with EFactor3 LLC And Bendfeldt Holdings LLC (Project E3) Providing for the Payment of a Fee-In-Lieu of Taxes and the Provision of Special Source Revenue Credits

Ordinance Title: An Ordinance To Authorize And Approve The Execution And Delivery Of A Fee In Lieu Of Tax And Incentive Agreement By And Among Lancaster County, South Carolina, EFactor3 LLC And Bendfeldt Holdings LLC (Companies Formerly Known To The County As Project E3) Providing For The Payment Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund; To Approve A Property Conveyance Agreement Relating To The Conveyance Of Approximately 16.62 Acres Of Real Property Owned By Lancaster County And Located In the Lancaster Business Park To EFactor3 LLC, Bendfeldt Holdings LLC Or An Entity To Be Designated By It; And To Provide For Other Matters Related Thereto. ***- At the August 28, 2023 County Council Meeting, the 1st Reading was Postponed until the September 11, 2023 County Council Meeting. 1st Reading Passed 7-0 at the September 11, 2023 County Council Meeting. 2nd Reading Passed 3-1 at the September 25, 2023 County Council Meeting (Allen Blackmon Opposed; Terry Graham, Jose Luis, and Charlene McGriff Absent). - Brian Fulk***

c. Resolution 1253-R2023 regarding an Inducement Resolution for Project Lathe

Resolution Title: A Resolution To State The Commitment Of Lancaster County To Enter Into A Fee Agreement With Project Lathe Including The Provision Of Special Source Revenue Credits; To Provide The General Terms Of The Fee Agreement; And To Provide That This Resolution Is An Inducement Resolution For Purposes Of The Fee In Lieu Of Tax Simplification Act; And To State The Commitment Of Lancaster County To Place Property Owned Or Leased By Project Lathe In A Multi-County Park. ***- Brian Fulk***

d. 1st Reading of Ordinance 2023-1878 regarding Authorization for a Fee In Lieu of Tax and Incentive Agreement with Project Lathe

Ordinance Title: An Ordinance To Authorize And Approve The Execution And Delivery Of A Fee In Lieu Of Tax And Incentive Agreement Between Lancaster County, South Carolina And Project Lathe

Providing For The Payment Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund; And To Provide For Other Matters Related Thereto. ***- Brian Fulk***

e. Public Hearing and 3rd Reading of Ordinance 2023-1875 regarding Amending the Fiscal Year 2023-2024 Budget Related to Renovations

Ordinance Title: An Ordinance To Amend Ordinance No. 2023-1849, Relating To The Appropriation Of Funds And The Approval Of A Detailed Budget For Lancaster County For The Fiscal Year Beginning July 1, 2023 And Ending June 30, 2024 (FY 2023-2024), To Further Provide For Revenues And Expenditures During The Fiscal Year; And To Provide For Matters Related Thereto. ***- Passed 6-1 at the September 11, 2023 County Council Meeting (Jose Luis Opposed). Passed 4-0 at the September 25, 2023 County Council Meeting (Terry Graham, Jose Luis, and Charlene McGriff Absent). - Dennis Marstall***

f. 3rd Reading of Ordinance 2023-1864 regarding Amending the Unified Development Ordinance Related to Section 6.5 Street Classification and Design

Ordinance Title: An Ordinance To Amend The Unified Development Ordinance ("UDO") Sections 4.4.1 (Cluster Subdivision Overlay District), 6.14 (Road Construction Standards), And 10.4 (Definitions), All Pertaining To Street Definition And Design, On The Effective Date Of This Ordinance ***- Planning Department Case Number: UDO-TA-2023-0975. The Planning Commission recommended approval by a vote of 5-0 and the Planning staff also recommended approval of the text amendment. Passed 7-0 at the August 14, 2023 County Council Meeting. At the August 28, 2023 County Council Meeting, the 2nd Reading was Postponed to the September 25, 2023 County Council Meeting. Passed 4-0 at the September 25, 2023 County Council Meeting (Terry Graham, Jose Luis, and Charlene McGriff Absent). - Allison Hardin***

g. 2nd Reading of Ordinance 2023-1876 regarding Amending the Budget for Fiscal Year 2023-2024 Relating to Additional Revenue, Public Safety Support, and Transfer of Funds

Ordinance Title: An Ordinance To Amend Ordinance No. 2023-1849, Relating To The Appropriation Of Funds And The Approval Of A Detailed Budget For Lancaster County For The Fiscal Year Beginning July 1, 2023 And Ending June 30, 2024 (FY 2023-2024), To Further Provide For Revenues And Expenditures During The Fiscal Year; And To Provide For Matters Related Thereto. ***- Passed 4-0 at the September 25, 2023 County Council Meeting (Terry Graham, Jose Luis, and Charlene McGriff Absent). - Dennis Marstall***

h. Public Hearing and 1st Reading of Ordinance 2023-1877 regarding Rezoning Property Located at 1662 MacMillan Park Drive from Light Industrial (LI) to Institutional (INS) District to Convert an Existing Structure to a K-12 Private School Facility (Applicants Brian Cillian/Greybridge MacMillan LLC and LEH SC MacMillan LLC)

Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 7.286 Acres (TM# 0007-00-008.05) Located At 1662 Macmillan Park Dr, From Light Industrial (LI) District To Institutional (INS) District ***- Planning Department Case Number: RZ-2023-1464. The Planning Commission recommended denial by unanimous vote and the Planning staff also recommended denial of the rezoning request. - Allison Hardin***

9. Discussion and Action Items

a. Appointments to Lancaster County Public Facilities Corporation

- Brian Endres
- Larry Honeycutt
- Charles Deese

b. Authorization for the Health and Wellness Commission to move forward with the South Carolina Center for Rural and Primary Healthcare Grant Application - Dennis Marstall

10. Status of items tabled, recommitted, deferred or held

a. HOLD UNTIL THE 12/11/2023 COUNCIL MEETING TO COINCIDE WITH APPROVAL OF THE COMPREHENSIVE PLAN AMENDMENT - 3rd Reading of Ordinance 2023-1869

regarding Rezoning Property Located at 2458 Mineral Mining Road, Kershaw, from Light Industrial (LI) to Agricultural Residential (AR) District (Applicants Charles and Ruth Strunk)

Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 6.60 Acres (TM# 0098-00-037.01) Located At 2458 Mineral Mining Road, Kershaw, From Light Industrial (LI) District To Agricultural Residential (AR) District. ***- Planning Department Case Number: RZ-2023-1197. The Planning Commission recommended approval by a vote of 5-2; however, the Planning staff recommended denial of the rezoning request. Passed 7-0 at the September 11, 2023 County Council Meeting. Passed 4-0 at the September 25, 2023 County Council Meeting (Terry Graham, Jose Luis, and Charlene McGriff Absent). - Allison Hardin***

b. HOLD UNTIL THE 11/15/2023 COMMITTEE OF THE WHOLE MEETING AND THE 12/11/2023 COUNCIL MEETING -1st Reading of Ordinance 2023-1865 regarding Amending the Unified Development Ordinance related to Chapter 2, Section 2.4 District Standards for Medium Density Residential (MDR)

Ordinance Title: An Ordinance To Amend The Unified Development Ordinance ("UDO") Chapter 2 (District Standards), Chapter 5 (Use Regulations), And Chapter 6 (Subdivision And Infrastructure Standards) Relating To The Medium Density Residential (MDR) Zoning District, On The Effective Date Of This Ordinance ***- Planning Department Case Number: UDO-TA-2023-0972. The Planning Commission recommended approval by unanimous vote. At the September 25, 2023 Council Meeting, the 1st Reading was Postponed until Council could discuss the item at the November 15, 2023 Committee of the Whole Meeting. - Allison Hardin***

c. HOLD UNTIL THE 11/15/2023 COMMITTEE OF THE WHOLE MEETING AND THE 12/11/2023 COUNCIL MEETING -1st Reading of Ordinance 2023-1870 regarding Amending the Unified Development Ordinance (UDO) related to Chapter 4, Section 4.4.1 Cluster Subdivision Overlay Standards

Ordinance Title: An Ordinance To Amend The Unified Development Ordinance ("UDO") Sections 4.4.1 (Cluster Subdivision Overlay District) On The Effective Date Of This Ordinance ***- Planning Department Case Number: UDO-TA-2023-0973. The Planning Commission recommended approval by a vote of 5-0. At the September 25, 2023 Council Meeting, the 1st Reading was Postponed until Council could discuss the item at the November 15, 2023 Committee of the Whole Meeting. - Allison Hardin***

11. Executive Session

[motions from Members may follow]

a. One Item:

1. ***Discussion of personnel matters pursuant to South Carolina Code of Laws 30-4-70(a)(1) related to the County Administrator's Office.***

12. Items Requiring a Vote Following Executive Session

13. Adjournment

Anyone requiring special services to attend this meeting should contact 285-1565 at least 24 hours in advance of this meeting. Lancaster County Council agendas are posted at the Lancaster County Administration Building and are available on the Website: **www.mylancastersc.org**

Meetings are live streamed and can be found by using the following link:
https://www.youtube.com/@LancasterCoSCGov/streams

Agenda Item Summary

Ordinance # / Resolution #: N/A
Contact Person / Sponsor: Sheriff Barry Faile / Lancaster County Sheriff's Department
Department: Sheriff Department
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
There is no action required by Council as this item is for information only for Council and citizens.

Points to Consider:
City Patrol Officer Phillip Justin Tucker was conducting practice traffic control on Plantation Road on July 25, 2023. During this time, a car stopped next to Patrol Officer Tucker's patrol vehicle and a mother jumped out of her car crying that her infant was not breathing. Without hesitation, Patrol Officer Tucker began the Infant Heimlich Maneuver and, while doing the finger sweep, Patrol Officer Tucker pulled a piece of plastic from the back of the infant's throat. After removing the obstruction, the baby let out a cry and began breathing. The infant has fully recovered.

Funding and Liability Factors:
N/A

Recommendation:
Sheriff Faile recommended Patrol Officer Phillip Justin Tucker for the Sheriff's Association Life Saving Award for his quick, professional rescue of this child.

Agenda Item Summary

Ordinance # / Resolution #: N/A
Contact Person / Sponsor: Dennis Marstall / Administration and Robin Dawson / Health and Wellness Commission
Department: Administration
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Per the Health and Wellness Commission's guiding ordinance, number 998 (which is attached), in Section 6, D. Section 2-339 (d) .. " The commission shall be empowered to seek available funding (i.e., grants) for specific activities with prior approval of county council only." This information is found on page 8 of 14. Therefore, this grant application has to be approved by Council prior to submission.

Points to Consider:
The Committee's school-related campaigns and programs work group would like to apply for a grant that would help to address smoking/vaping in the schools. This grant would be in partnership with the Lancaster County School District (LCSD).

This grant would be a vital part of the Commission's work to combat smoking/vaping in LCSD schools. In February of this year, a spokesperson for LCSD said, "Leaders are catching kids smoking e-cigarettes inside schools about 10 to 12 times every week."

The grant is through the South Carolina Center for Rural and Primary Healthcare. Please see below for information about the grant timeline and purpose:

RFA Release Date: August 31, 2023

Application Due Date: November 1, 2023

Earliest Anticipated Project Start Date: January 1, 2024

Award Range: 4-6 Awards of up to $200,000

Maximum Total Amount Awarded: $800,000

Cooperative Agreement Timeline: up to 2 years (Jan 1, 2024 – Dec 31, 2025)

Purpose of the Connecting Communities to Care Cooperative Agreement Program: The South Carolina Center for Rural and Primary Healthcare (CRPH) supports the vibrancy and resiliency of rural communities in South Carolina; however, CRPH also recognizes the health challenges and inequities faced by rural and underserved populations in our state. In an effort to support communities addressing these challenges and building upon promising or successful programs, CRPH has established a funding opportunity to engage community partners to build more equitable and resilient systems that better serve rural and underserved groups.

The Connecting Communities to Care Program seeks to support community health improvement programs that connect people to health-related and healthcare services to address rural health disparities. CRPH is interested in programs that identify and implement community-driven solutions and best practices that can be adopted by other rural communities, expanded into a larger context, and/or inform public policy. . .

Funding and Liability Factors:
The grant could be up to $200,000.

Recommendation:
N/A

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 998	9/19/2023	Ordinance

FILED
OFFICE OF CLERK
OF COURT
2011 JUN 23 AM 11:50
CLERK OF COURT
LANCASTER, SC

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

ORDINANCE NO. 998

AN ORDINANCE

ALIGNING THE TERMS OF OFFICE OF COUNCIL APPOINTEES TO CERTAIN COUNTY BOARDS AND COMMISSIONS WITH THE TERMS OF OFFICE OF THE RESPECTIVE COUNCIL MEMBERS WHO APPOINT THEM; APPLYING COUNTY POLICIES TO THOSE BOARDS AND COMMISSIONS; AND OTHER MATTERS RELATING THERETO.

Be it ordained by the Council of Lancaster County, South Carolina (the "Council"):

Section 1. Findings and Determinations.

The Council finds and determines:

(a) There is a need to allow Council members from each election district in Lancaster County (the "County") an equitable opportunity to participate in making recommendations for appointments to certain County boards and commissions.

(b) It is in the best interest of the County to align the terms of office of Council appointees to certain County boards and commissions with the terms of office of the respective Council members who recommend their appointment, such that recommendations for appointment can be made near the beginning of the respective Council members' terms.

(c) It is in the best interest of the County that all County boards and commissions shall be subject to the County's budgeting, financial, purchasing and personnel requirements.

Section 2. Airport Commission.

A. Section 3-22 of the Lancaster County Code of Ordinances is amended to read:

"(a) The commission shall be composed of seven (7) members appointed by the county council. Each council member shall recommend one (1) member to represent the council member's district; however, residency in the council member's district is not required.

(b) (1) The term of office for airport commission members is four (4) years. All terms end on June 30. A person who has served two (2) consecutive terms on the airport commission is ineligible for appointment for an additional term unless a period of at least two (2) years has elapsed since the expiration of the person's last term; provided, however, upon a two-thirds vote of the county council members, a person may be reappointed to the commission notwithstanding the term limitation. Time served in filling a vacancy is not included in the term limitation. Members serve until their successors are appointed and qualified. Vacancies must be filled for the unexpired term in the same manner as the original appointment.

(2) A member of the commission who misses three consecutive meetings of the commission during any fiscal year or a total of five meetings in any fiscal year vacates the office to which the member is appointed. The vacancy in the office exists as of the end of the meeting missed by the member that triggers the vacancy and the vacancy shall be filled in the same manner as other vacancies.

When a vacancy occurs pursuant to this item, the commission chair or the chief administrative officer of the commission shall notify the clerk to council in writing as soon as possible.

(3) Any member of the airport commission may be removed at any time by county council for cause.

(c) The commission shall meet quarterly and at other times at the call of the chair. Each year, the commission shall ~~annually~~ elect a ~~chairman~~ chair, vice-chair and secretary.

(d) All members ~~will~~ serve without compensation, but may be reimbursed for actual expenses and mileage pursuant to county policy after approval by the commission chair and the county administrator.

(e) Within one (1) year of the member's appointment and at such other times as may be required by county council, the member shall attend a training session provided by the county on the topics of fiduciary duties, county fiscal and personnel policies, and other responsibilities and duties of a commission member."

B. Section 3-24 of the Lancaster County Code of Ordinances is amended to read:

"(a) Annually, at the time designated by the county council, the commission shall submit to the county council an operating budget for the ensuing fiscal year adequate to fund the operation and programs of the commission.

(b) The expenditure of any funds by the commission is subject to the purchasing rules and financial procedures of the county as adopted by the county council. The commission shall designate a person on the commission as liaison with the offices of the county administrator and county finance director to ensure compliance with these rules and procedures.

(c) The county shall include the commission in the annual independent audit of the financial records of the county.

(d) The commission is subject to the county's personnel policies including wage and salary guidelines."

C. (1) Notwithstanding any other provision of law, the term for members of the airport commission representing Council Districts 2, 4 and 6 and serving on June 30, 2011, end on June 30, 2011. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2011 does not apply. A commission member whose term ends on June 30, 2011 shall continue to serve on the commission until a successor is appointed and qualified.

(2) Notwithstanding any other provision of law, the term for members of the airport commission representing Council Districts 1, 3, 5 and 7 and serving on June 30, 2013, end on June 30, 2013. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2013 does not apply. A commission member whose term ends on June 30, 2013 shall continue to serve on the commission until a successor is appointed and qualified.

Section 3. Board of Assessment Appeals.

A. Section 28-42 of the Lancaster County Code of Ordinances is amended to read:

"(a) The board shall be composed of seven (7) members appointed by the county council. Each council member shall recommend one (1) member to represent the council member's district; however, residency in the council member's district is not required.

(b) (1) The term of office for board members is four (4) years. All terms end on June 30. A person who has served two (2) consecutive terms on the board is ineligible for appointment for an additional term unless a period of at least two (2) years has elapsed since the expiration of the person's last term; provided, however, upon a two-thirds vote of the council members, a person may be reappointed to the board notwithstanding the term limitation. Time served in filling a vacancy is not included in the term limitation. Members serve until their successors are appointed and qualified. Vacancies must be filled for the unexpired term in the same manner as the original appointment.

(2) A member of the board who misses three consecutive meetings of the board during any fiscal year or a total of five meetings in any fiscal year vacates the office to which the member is appointed. The vacancy in the office exists as of the end of the meeting missed by the member that triggers the vacancy and the vacancy shall be filled in the same manner as other vacancies. When a vacancy occurs pursuant to this item, the board chair or the chief administrative officer of the board shall notify the clerk to council in writing as soon as possible.

(3) Any member of the board may be removed at any time by county council for cause.

(c) The board shall meet quarterly and at other times at the call of the chair. Each year, the board shall elect a chair, vice-chair ~~-~~and secretary~~-~~.

(d) All members ~~will~~ serve without compensation, but may be reimbursed for actual expenses and mileage pursuant to county policy after approval by the board chair and the county administrator.

(e) Within one (1) year of the member's appointment and at such other times as may be required by county council, the member shall attend a training session provided by the county on the topics of fiduciary duties, county fiscal and personnel policies, and other responsibilities and duties of a board member."

B. Section 28-44 of the Lancaster County Code of Ordinances is amended to read:

"(a) The budget, if any, for the board shall be included in the budget for the county assessor, unless otherwise provided by county council.

(b) The expenditure of any funds by the board is subject to the purchasing rules and financial procedures of the county as adopted by the county council. The board shall designate a person on the board as liaison with the offices of the county administrator and county finance director to ensure compliance with these rules and procedures.

(c) The county shall include the board in the annual independent audit of the financial records of the county.

(d) The board is subject to the county's personnel policies including wage and salary guidelines."

C. (1) Notwithstanding any other provision of law, the term for members of the board of assessment appeals representing Council Districts 2, 4 and 6 and serving on June 30, 2011, end on June 30, 2011. For purposes of applying term limitation provisions, time served by the board member for the term ending June 30, 2011 does not apply. A board member whose term ends on June 30, 2011 shall continue to serve on the board until a successor is appointed and qualified.

(2) Notwithstanding any other provision of law, the term for members of the board of assessment appeals representing Council Districts 1, 3, 5 and 7 and serving on June 30, 2013, end on June 30, 2013. For purposes of applying term limitation provisions, time served by the board member for the term ending June 30, 2013 does not apply. A board member whose term ends on June 30, 2013 shall continue to serve on the board until a successor is appointed and qualified.

Section 4. Community Relations Commission.

A. Section 2-372 of the Lancaster County Code of Ordinances is amended to read:

"(a) The commission shall be composed of eleven (11) regular members. Of the eleven (11) members, seven (7) are to be appointed by county council. Each county council member shall recommend one (1) member to represent the council member's district; however, residency in the council member's district is not required.

(b) Three (3) nominations shall be made by the municipalities of Lancaster County: One (1) by the City of Lancaster, one (1) by the Town of Kershaw, and one (1) by the Town of Heath Springs. The nominated members shall be formally appointed by county council.

(c) One (1) appointment shall be a school representative nominated by the Lancaster County school district. The nominated member shall be formally appointed by county council.

(d) (1) The term of office for all commission members is four (4) years. All terms end on June 30. A person who has served two (2) consecutive terms on the commission is ineligible for appointment for an additional term unless a period of at least two (2) years has elapsed since the expiration of the person's last term; provided, however, upon a two-thirds vote of the county council members, a person may be reappointed to the commission notwithstanding the term limitation. Time served in filling a vacancy is not included in the term limitation. Members serve until their successors are appointed and qualified. Vacancies must be filled for the unexpired term in the same manner as the original appointment.

(2) A member of the commission who misses three consecutive meetings of the commission during any fiscal year or a total of five meetings in any fiscal year vacates the office to which the member is appointed. The vacancy in the office exists as of the end of the meeting missed by the member that triggers the vacancy and the vacancy shall be filled in the same manner as other vacancies. When a vacancy occurs pursuant to this item, the commission chair or the chief administrative officer of the commission shall notify the Clerk to Council in writing as soon as possible.

(3) Any member of the commission may be removed at any time by county council for cause.

(e) All members serve without compensation, but may be reimbursed for actual expenses and mileage pursuant to county policy after approval by the commission chair and the county administrator.

(f) Within one (1) year of the member's appointment and at such other times as may be required by county council, the member shall attend a training session provided by the county on the topics of fiduciary duties, county fiscal and personnel policies, and other responsibilities and duties of a commission member."

B. Section 2-377 of the Lancaster County Code of Ordinances is amended to read:

"(a) The commission shall be furnished reasonable resources, financial or otherwise, to perform its charge of responsibility provided such resources are requested in writing and approved by the county in advance of any obligating action of the commission. Expense associated with such approved resources shall be borne by the county.

(b) Annually, at the time designated by the county council, the commission shall submit to the county council an operating budget for the ensuing fiscal year adequate to fund the operation and programs of the commission.

(c) The expenditure of any funds by the commission is subject to the purchasing rules and financial procedures of the county as adopted by the county council. The commission shall designate a person on the commission as liaison with the offices of the county administrator and county finance director to ensure compliance with these rules and procedures.

(d) The county shall include the commission in the annual independent audit of the financial records of the county.

(e) The commission is subject to the county's personnel policies including wage and salary guidelines."

C. (1) Notwithstanding any other provision of law, the term for members of the community relations commission representing Council Districts 2, 4 and 6 and serving on June 30, 2011, end on June 30, 2011. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2011 does not apply. A commission member whose term ends on June 30, 2011 shall continue to serve on the commission until a successor is appointed and qualified.

(2) Notwithstanding any other provision of law, the term for members of the community relations commission representing Council Districts 1, 3, 5 and 7 and serving on June 30, 2013, end on June 30, 2013. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2013 does not apply. A commission member whose term ends on June 30, 2013 shall continue to serve on the commission until a successor is appointed and qualified.

Section 5. Farmers' Market Commission.

A. Section 13-22 of the Lancaster County Code of Ordinances is amended to read:

"(a) The Lancaster County Farmers' Market Commission shall be composed of seven (7) members appointed by county council. Each council member shall recommend one (1) member to represent the council member's district; however, residency in the council member's district is not required. In selecting members of the commission, the council shall attempt to provide representation for various types of produce, farmers and consumers, various races and both sexes. In addition, the county agricultural agent shall serve as an ex officio non-voting member with no limit to the term of service.

(b)(1) The term of office for all commission members is four (4) years. All terms end on June 30. A person who has served two (2) consecutive terms on the commission is ineligible for appointment

for an additional term unless a period of at least two (2) years has elapsed since the expiration of the person's last term; provided, however, upon a two-thirds vote of the county council members, a person may be reappointed to the commission notwithstanding the term limitation. Time served in filling a vacancy is not included in the term limitation. Members serve until their successors are appointed and qualified. Vacancies must be filled for the unexpired term in the same manner as the original appointment.

(2) A member of the commission who misses three consecutive meetings of the commission during any fiscal year or a total of five meetings in any fiscal year vacates the office to which the member is appointed. The vacancy in the office exists as of the end of the meeting missed by the member that triggers the vacancy and the vacancy shall be filled in the same manner as other vacancies. When a vacancy occurs pursuant to this item, the commission chair or the chief administrative officer of the commission shall notify the clerk to council in writing as soon as possible.

(3) Any member of the commission may be removed at any time by county council for cause.

(c) All members serve without compensation, but may be reimbursed for actual expenses and mileage pursuant to county policy after approval by the commission chair and the county administrator.

(d) The commission will meet bi-monthly and at other times at the call of the chair or at the request of any four (4) members. Each year, the commission shall elect a chair, vice-chair and secretary.

(e) Within one (1) year of the member's appointment and at such other times as may be required by county council, the member shall attend a training session provided by the county on the topics of fiduciary duties, county fiscal and personnel policies, and other responsibilities and duties of a commission member."

B. Section 13-24 of the Lancaster County Code of Ordinances is amended to read:

"(a) Annually, at the time designated by the county council, the commission shall submit to the county council an operating budget for the ensuing fiscal year adequate to fund the operation and programs of the commission.

(b) The expenditure of any funds by the commission is subject to the purchasing rules and financial procedures of the county as adopted by county council. The commission shall designate a person on the commission as liaison with the offices of the county administrator and county finance director to ensure compliance with these rules and procedures.

(c) The county shall include the commission in the annual independent audit of the financial records of the county.

(d) The commission is subject to the county's personnel policies including wage and salary guidelines."

C. (1) Notwithstanding any other provision of law, the term for members of the farmers' market commission representing Council Districts 2, 4 and 6 and serving on June 30, 2011, end on June 30, 2011. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2011 does not apply. A commission member whose term ends on June 30, 2011 shall continue to serve on the commission until a successor is appointed and qualified.

(2) Notwithstanding any other provision of law, the term for members of the farmers' market commission representing Council Districts 1, 3, 5 and 7 and serving on June 30, 2013, end on June 30, 2013. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2013 does not apply. A commission member whose term ends on June 30, 2013 shall continue to serve on the commission until a successor is appointed and qualified.

Section 6. Health & Wellness Commission.

A. Section 2-332 of the Lancaster County Code of Ordinances is amended to read:

"(a) The health and wellness commission shall consist of seventeen (17) members appointed by county council as follows:

(1) Each council member shall recommend one (1) member to represent the council member's district; however, residency in the council member's district is not required.

(2) Three (3) members shall be appointed by county council at-large.

(3) County council will consider representation from business and industry, the clergy, city and town governments, and interested citizens.

(4) One (1) member shall be appointed by the county council to represent each of the following seven (7) institutions: Lancaster County Health Department; Lancaster County Department of Social Services; Lancaster County School District--Student Health Services; Lancaster County School District--Comprehensive Health Education Curriculum; Springs Memorial Hospital; University of South Carolina at Lancaster; and, Lancaster County Council on Aging. Each institution shall nominate an individual to represent the institution and the nominated individual shall be formally appointed by the county council.

(b)(1) The term of office for all commission members is four (4) years. All terms end on June 30. A person who has served two (2) consecutive terms on the commission is ineligible for appointment for an additional term unless a period of at least two (2) years has elapsed since the expiration of the person's last term; provided, however, upon a two-thirds vote of the county council members, a person may be reappointed to the commission notwithstanding the term limitation. Time served in filling a vacancy is not included in the term limitation. Members serve until their successors are appointed and qualified. Vacancies must be filled for the unexpired term in the same manner as the original appointment.

(2) A member of the commission who misses three consecutive meetings of the commission during any fiscal year or a total of five meetings in any fiscal year vacates the office to which the member is appointed. The vacancy in the office exists as of the end of the meeting missed by the member that triggers the vacancy and the vacancy shall be filled in the same manner as other vacancies. When a vacancy occurs pursuant to this item, the commission chair or the chief administrative officer of the commission shall notify the clerk to council in writing as soon as possible.

(3) Any member of the commission may be removed at any time by county council for cause.

(c) All members ~~shall~~ serve without compensation, but may be reimbursed for actual expenses and mileage pursuant to county policy after approval by the commission chair and the county administrator.

(d) Within one (1) year of the member's appointment and at such other times as may be required by county council, the member shall attend a training session provided by the county on the topics of fiduciary duties, county fiscal and personnel policies, and other responsibilities and duties of a commission member."

B. Section 2-333 of the Lancaster County Code of Ordinances is amended to read:

Reserved."

C. Section 2-336 of the Lancaster County Code of Ordinances is amended to read:

"The frequency of commission meetings shall be determined by the membership with a minimum frequency of bi-monthly (January, March, May, July, September, November). More frequent meetings may be called by the chair as the need exists or on requests by a member of the commission or by county council.

D. Section 2-339 of the Lancaster County Code of Ordinances is amended to read:

"(a) Annually, at the time designated by the county council, the commission shall submit to the county council an operating budget for the ensuing fiscal year adequate to fund the operation and programs of the commission.

(b) The expenditure of funds by the commission is subject to the purchasing rules and financial procedures of the county as adopted by county council. The commission shall designate a person on the commission as liaison with the offices of the county administrator and county finance director to ensure compliance with these rules and procedures.

(c) The county shall include the commission in the annual independent audit of the financial records of the county.

(d) The commission shall be empowered to seek available funding (i.e., grants) for specific activities with prior approval of county council only.

(e) The commission is subject to the county's personnel policies including wage and salary guidelines."

E. (1) Notwithstanding any other provision of law, the term for members of the health and wellness commission representing Council Districts 2, 4 and 6 and serving on June 30, 2011, end on June 30, 2011. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2011 does not apply. A commission member whose term ends on June 30, 2011 shall continue to serve on the commission until a successor is appointed and qualified.

(2) Notwithstanding any other provision of law, the term for members of the health and wellness commission representing Council Districts 1, 3, 5 and 7 and serving on June 30, 2013, end on June 30, 2013. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2013 does not apply. A commission member whose term ends on June 30, 2013 shall continue to serve on the commission until a successor is appointed and qualified.

Section 7. Historical Commission.

A. Section 2-312 of the Lancaster County Code of Ordinances is amended to read:

"(a)(1) The commission shall be composed of seven (7) members appointed by the county council. Each council member shall recommend one (1) member to represent the council member's district; however, residency in the council member's district is not required.

(2) The term of office for all commission members is four (4) years. All terms end on June 30. A person who has served two (2) consecutive terms on the commission is ineligible for appointment for an additional term unless a period of at least two (2) years has elapsed since the expiration of the person's last term; provided, however, upon a two-thirds vote of the county council members, a person may be reappointed to the commission notwithstanding the term limitation. Time served in filling a vacancy is not included in the term limitation. Members serve until their successors are appointed and qualified. Vacancies must be filled for the unexpired term in the same manner as the original appointment.

(3) A member of the commission who misses three consecutive meetings of the commission during any fiscal year or a total of five meetings in any fiscal year vacates the office to which the member is appointed. The vacancy in the office exists as of the end of the meeting missed by the member that triggers the vacancy and the vacancy shall be filled in the same manner as other vacancies. When a vacancy occurs pursuant to this item, the commission chair or the chief administrative officer of the commission shall notify the clerk to council in writing as soon as possible.

(4) Any member of the commission may be removed at any time by county council for cause.

(b) In addition to the seven (7) members appointed by county council representing each of their districts, six (6) at-large members shall be appointed by county council. At-large members will serve in an advisory capacity and have no voting privileges. All at-large appointments shall be for four (4) years, provided, that, county council shall provide for the appointments to be made on a staggered basis so that one-half of the at-large members are appointed every two (2) years. At large-members may serve two (2) consecutive full four-year terms.

(c) The commission shall meet quarterly and at other times at the call of the chair. Each year, the commission shall ~~s~~elect a ~~e~~ chair, vice-chair and secretary.

(d) All members ~~will~~ serve without compensation, but may be reimbursed for actual expenses and mileage pursuant to county policy after approval by the commission chair and the county administrator.

(e) Within one (1) year of the member's appointment and at such other times as may be required by county council, the member shall attend a training session provided by the county on the topics of fiduciary duties, county fiscal and personnel policies, and other responsibilities and duties of a commission member."

B. Section 2-314 of the Lancaster County Code of Ordinances is amended to read:

"(a) Annually, at the time designated by the county council, the commission shall submit to the county council an operating budget for the ensuing fiscal year adequate to fund the operation and programs of the commission.

(b) The expenditure of any funds by the commission is subject to the purchasing rules and financial procedures of the county as adopted by the county council. The commission shall designate a person on the commission as liaison with the offices of the county administrator and county finance director to ensure compliance with these rules and procedures.

(c) The county shall include the commission in the annual independent audit of the financial records of the county.

(d) The commission is subject to the county's personnel policies including wage and salary guidelines."

C. (1) Notwithstanding any other provision of law, the term for members of the historical commission representing Council Districts 2, 4 and 6 and serving on June 30, 2011, end on June 30, 2011. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2011 does not apply. A commission member whose term ends on June 30, 2011 shall continue to serve on the commission until a successor is appointed and qualified.

(2) Notwithstanding any other provision of law, the term for members of the historical commission representing Council Districts 1, 3, 5 and 7 and serving on June 30, 2013, end on June 30, 2013. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2013 does not apply. A commission member whose term ends on June 30, 2013 shall continue to serve on the commission until a successor is appointed and qualified.

Section 8. Joint Recreation Commission.

A. Section 24-22 of the Lancaster County Code of Ordinances is amended to read:

"(a) The joint recreation commission shall be composed of ten (10) members appointed by county council. One (1) member shall be appointed from each of the seven (7) county council districts, upon recommendation of the council member elected from that district. The member must reside in the district for which the member is appointed.

(b) Lancaster City Council will nominate two (2) members. The Towns of Kershaw and Heath Springs will alternately nominate one (1) member. The nominated members shall be formally appointed by County Council.

(c) (1) The term of office for all commission members is four (4) years. All terms end on June 30. A person who has served two (2) consecutive terms on the commission is ineligible for appointment for an additional term unless a period of at least two (2) years has elapsed since the expiration of the person's last term; provided, however, upon a two-thirds vote of the county council members, a person may be reappointed to the commission notwithstanding the term limitation. Time served in filling a vacancy is not included in the term limitation. Members serve until their successors are appointed and qualified. Vacancies must be filled for the unexpired term in the same manner as the original appointment.

2) A member of the commission who misses three consecutive meetings of the commission during any fiscal year or a total of five meetings in any fiscal year vacates the office to which the member is appointed. The vacancy in the office exists as of the end of the meeting missed by the member that triggers the vacancy and the vacancy shall be filled in the same manner as other vacancies. When a vacancy occurs pursuant to this item, the commission chair or the chief administrative officer of the commission shall notify the clerk to council in writing as soon as possible.

3) Any member of the commission may be removed at any time by county council for cause.

(d) All members serve without compensation, but may be reimbursed for actual expenses and mileage pursuant to county policy after approval by the commission chair and the county administrator.

(e) Within one (1) year of the member's appointment and at such other times as may be required by county council, the member shall attend a training session provided by the county on the topics of fiduciary duties, county fiscal and personnel policies, and other responsibilities and duties of a commission member."

B. Section 24-23 of the Lancaster County Code of Ordinances is amended to read:

"The commission shall meet monthly and at other times at the call of the chair or by request of six (6) of the commissioners. Each year, the commission shall elect a chair, vice-chair and secretary.

C. Section 24-26 of the Lancaster County Code of Ordinances is amended to read:

"(a) Annually, at the time designated by the county council, the commission shall submit to the county council an operating budget for the ensuing fiscal year adequate to fund the operation and programs of the commission.

(b) The ~~of~~ expenditure of any funds by the commission is subject to the purchasing rules and financial procedures of the county as adopted by the county council. The commission shall designate a person on the commission as liaison with the offices of the county administrator, county finance director, Lancaster city administrator, Lancaster city finance officer, mayor of Heath Springs, and mayor of Kershaw to ensure compliance with these rules and procedures.

(c) The county shall include the commission in the annual independent audit of the financial records of the county.

(d) The commission is subject to the county's personnel policies including wage and salary guidelines."

D. (1) Notwithstanding any other provision of law, the term for members of the joint recreation commission representing Council Districts 2, 4 and 6 and serving on June 30, 2011, end on June 30, 2011. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2011 does not apply. A commission member whose term ends on June 30, 2011 shall continue to serve on the commission until a successor is appointed and qualified.

(2) Notwithstanding any other provision of law, the term for members of the joint recreation commission representing Council Districts 1, 3, 5 and 7 and serving on June 30, 2013, end on June 30, 2013. For purposes of applying term limitation provisions, time served by the commission member for the term ending June 30, 2013 does not apply. A commission member whose term ends on June 30, 2013 shall continue to serve on the commission until a successor is appointed and qualified.

Section 9. Library Board.

A. Section 18-21 of the Lancaster County Code of Ordinances is amended to read:

"(a) The county library system shall be controlled and managed by a board of trustees, known as the county library board~~:~~. The board shall be ~~e~~ composed of nine (9) members appointed by the county council. One (1) member shall be appointed from each of the seven (7) county council districts, upon recommendation of the council member elected from that district; provided, however, residency in the council member's district is not required. Two (2) members ~~will~~ shall be appointed at-large by the county council.

(b) (1) The term of office for all board members is four (4) years. All terms end on June 30. A person who has served two (2) consecutive terms on the board is ineligible for appointment for an additional term unless a period of at least two (2) years has elapsed since the expiration of the person's last term; provided, however, upon a two-thirds vote of the county council members, a person may be reappointed to the board notwithstanding the term limitation. Time served in filling a vacancy is not

included in the term limitation. Members serve until their successors are appointed and qualified. Vacancies must be filled for the unexpired term in the same manner as the original appointment.

(2) A member of the board who misses three consecutive meetings of the board during any fiscal year or a total of five meetings in any fiscal year vacates the office to which the member is appointed. The vacancy in the office exists as of the end of the meeting missed by the member that triggers the vacancy and the vacancy shall be filled in the same manner as other vacancies. When a vacancy occurs pursuant to this item, the board chair or the chief administrative officer of the commission shall notify the clerk to council in writing as soon as possible.

(3) Any member of the board may be removed at any time by county council for cause.

(c) Within one (1) year of the member's appointment and at such other times as may be required by county council, the member shall attend a training session provided by the county on the topics of fiduciary duties, county fiscal and personnel policies, and other responsibilities and duties of a board member."

B. Section 18-22 of the Lancaster County Code of Ordinances is amended to read:

"(a) Each year, the board shall elect a chair, vice-chair, secretary, treasurer and such other officers as it deems necessary, and may make rules and regulations for the conduct of its business. The board shall meet not less than four (4) times each year and at other times as called by the chair, or upon the written request by a majority of the members.

(b) All members ~~will~~ serve without compensation, but may be reimbursed for actual expenses and mileage pursuant to county policy after approval by the board chair and the county administrator."

C. Section 18-24 of the Lancaster County Code of Ordinances is amended to read:

"(a) Annually, at the time designated by the county council, the board shall submit to the county council an operating budget for the ensuing fiscal year adequate to fund the operation and programs of the board.

(b) The library board shall annually, on or before the first of September of each year, make a report of its activities, showing in summary form its receipts and expenditures, the libraries and bookmobile routes operated by it, the number of books, periodicals and other property owned by it, the character of the service rendered to the people of the county, including the number making use of its services, and such other pertinent facts as would show its activities during the preceding fiscal year. Reports shall be filed in the office of the clerk of court for the county and copies shall be furnished each member of the county council.

(c) The expenditure of any funds by the board is subject to the purchasing rules and financial procedures of the county as adopted by the county council. The board shall designate a person on the board as liaison with the offices of the county administrator and county finance director to ensure compliance with these rules and procedures.

(d) The county shall include the board in the annual independent audit of the financial records of the county.

(e) The board is subject to the county's personnel policies including wage and salary guidelines"

D. (1) Notwithstanding any other provision of law, the term for members of the county library board of trustees representing Council Districts 2, 4 and 6 and serving on June 30, 2011, end on June 30, 2011. For purposes of applying term limitation provisions, time served by the board member for the term ending June 30, 2011 does not apply. A board member whose term ends on June 30, 2011 shall continue to serve on the board until a successor is appointed and qualified.

(2) Notwithstanding any other provision of law, the term for members of the county library board of trustees representing Council Districts 1, 3, 5 and 7 and serving on June 30, 2013, end on June 30, 2013. For purposes of applying term limitation provisions, time served by the board member for the term ending June 30, 2013 does not apply. A board member whose term ends on June 30, 2013 shall continue to serve on the board until a successor is appointed and qualified.

Section 10. Severability Clause.

If any section, subsection or clause of this Ordinance is held to be invalid, illegal, unconstitutional, or unenforceable in any respect, the validity, legality, constitutionality, and enforceability of the remaining sections, subsections and clauses of this Ordinance shall not in any way be affected or impaired thereby.

Section 11. Conflicting Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 12. Effective Date.

This Ordinance is effective upon third reading.

AND IT IS SO ORDAINED, THIS 26th DAY OF APRIL 2010.

SIGNATURES FOLLOW ON THE NEXT PAGE.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

LANCASTER COUNTY, SOUTH CAROLINA

Rudy Carter, Chair, County Council

Kathy Sistare, Secretary, County Council

Approved as to form:

County Attorney

ATTEST:

Irene Plyler, Clerk to Council

Public Hearing:	not applicable
First Reading:	September 28, 2009
Second Reading:	October 12, 2009
Third Reading:	April 26, 2010

Agenda Item Summary

Ordinance # / Resolution #: N/A
Contact Person / Sponsor: Dennis Marstall / Administration and Brenda Thompson / Communications and Marketing
Department: Communications Department
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
This item is an update for Council and citizens about the newly formed Communications and Marketing Department.

Points to Consider:
The creation and consolidation of the Communications and Marketing Department was included as part of the FY23 budget.

The department consists of four employees and serves all departments.

The presentation will highlight the goals of the department and their accomplishments to date.

Funding and Liability Factors:
This department is funded in the County's yearly budget.

Recommendation:
This item is for information only for Council and citizens.

Agenda Item Summary

Ordinance # / Resolution #: N/A
Contact Person / Sponsor: Lauren Hill / Deputy Clerk to Council
Department: County Clerk
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Approve or amend the minutes from the September 13, 2023, County Council Committee of the Whole meeting.

Points to Consider:
The draft minutes from the September 13, 2023, County Council Committee of the Whole meeting are attached for Council's review and consideration.

Funding and Liability Factors:
There are no funding or liability factors regarding approval of minutes.

Recommendation:
Approve the minutes as written.

ATTACHMENTS:

Description	Upload Date	Type
Draft Minutes from the 9-13-2023 Committee of the Whole Meeting	10/4/2023	Backup Material

Council Members
District 1: Terry Graham
District 2: Charlene McGriff
District 3: Billy Mosteller, Secretary
District 4: Jose Luis
District 5: Steve Harper, Chair
District 6: Allen Blackmon
District 7: Brian Carnes, Vice-Chair

County Administrator
Dennis E. Marstall

County Attorney
Ginny L. Merck-Dupont

Clerk to Council
Sherrie Simpson

September 13, 2023 | **4:00 PM** | **101 North Main Street, Lancaster, SC 29720**

LANCASTER COUNTY COUNCIL
COMMITTEE OF THE WHOLE
County Council Chambers, County Administration Building, 101 North Main Street, Lancaster, SC 29720

MINUTES

DRAFT

Council Members Present: Allen Blackmon, Brian Carnes, Terry Graham, Steve Harper, Jose Luis, Charlene McGriff, and Billy Mosteller.

Absent: None.

Staff Members/Others present: Dennis Marstall, County Administrator; Ginny Merck-Dupont, County Attorney; Sherrie Simpson, Clerk to Council; Stephany Snowden, Deputy County Administrator; Ashley Davis, Deputy Planning Director; Paul Moses, Airport Director; Ken Holt, Holt Consulting; Charles Deese, Planning Commission Chairman; the press; various Planning Commission members; various elected officials; various Department Heads; various employees and citizens.

A quorum of Lancaster County Council was present for the meeting. The following press were notified of the meeting by e-mail in accordance with the Freedom of Information Act: *The Lancaster News, Kershaw News Era, The Rock Hill Herald,* Cable News 2, Channel 9 and the local government channel. The agenda was posted in the lobby of the County Administration Building and also on the County website the required length of time. The power point presentation utilized during the meeting is attached to the written minutes in the Clerk to Council's office. The livestream was disconnected during the middle of this meeting and had to be restarted, so there are two parts to the livestream posted on the County's YouTube page.

Call to Order

Chairman Steve Harper called the Committee of the Whole meeting to order at approximately 4:00 p.m.

Welcome and Recognition

Chairman Steve Harper welcomed everyone to the Committee of the Whole Meeting.

Pledge of Allegiance and Invocation - Council Member Brian Carnes

Council Member Brian Carnes led the Pledge of Allegiance to the American Flag and delivered the Invocation.

Approval of Agenda

Charlene McGriff moved to approve the agenda. Seconded by Terry Graham. Motion Passed 7-0.

Citizens Comments

The following citizens signed up for and spoke during Citizens Comments: None

The following citizens submitted electronic, written comments for Citizens Comments:

1. Karla Rivas Plata, Indian Land, SC, wrote in regarding overcrowding at the Animal Shelter. Each Council Member received a copy of the written comment at their seat, and a physical copy is attached as Schedule A to the written minutes in the Clerk to Council's Office.
2. Ashley Cafero, Lancaster, SC, wrote in regarding the Animal Shelter business hours and the punishments for the abuse and neglect of animals. Each Council Member received a copy of the written comment at their seat, and a physical copy is attached as Schedule B to the written minutes in the Clerk to Council's Office.
3. Amy Loudermilk, Lancaster, SC, wrote in regarding fully funding spay and neuter programs and restrictions on backyard breeding. Each Council Member received a copy of the written comment at their seat, and a physical copy is attached as Schedule C to the written minutes in the Clerk to Council's Office.
4. Crystal A., Lancaster, SC, wrote in regarding waiving adoption fees at the Animal Shelter once at capacity, and shelter funding. Each Council Member received a copy of the written comment at their seat, and a physical copy is attached as Schedule D to the written minutes in the Clerk to Council's Office.
5. Teri Hinson, Lancaster, SC, wrote in regarding traffic and speeding issues on Hilldale Drive. Each Council Member received a copy of the written comment at their seat, and a physical copy is attached as Schedule E to the written minutes in the Clerk to Council's Office.

DRAFT

Discussion and Action Items

Unified Development Ordinance (UDO) Update Discussion - Ashley Davis

Ashley Davis provided an update regarding the rewrite of the Unified Development Ordinance (UDO) via the County's PowerPoint that is attached to the written minutes in the Clerk to Council's Office. Council and Staff discussed form-based zoning, Planned Development Districts (PDD), and flex districts within the Unified Development Ordinance (UDO). Council requested that the rewrite of the Unified Development Ordinance (UDO) move forward with Planned Development Districts (PDD) and remove the reference of form-based zoning and flex districts.

Discussion of New Text Amendments Until Finalization of the Unified Development Ordinance Rewrite - Ashley Davis

Ashley Davis spoke of concerns regarding the number of text amendments being received during the rewrite process of the Unified Development Ordinance (UDO). Charles Deese, from South Potter Road, District 3, spoke on behalf of the Planning Commission and the time it takes to research the Unified Development Ordinance (UDO) for text amendments. The County contracted with White and Smith in 2021 to assess and rewrite the Unified Development Ordinance (UDO), and there have been approximately 24 text amendments since then. Ashley Davis explained that when a text amendment is received, White and Smith then has to research the changes and update their records. The Planning Commission requested that Council place a moratorium on all text amendments coming to the Planning staff until the rewrite of the Unified Development Ordinance (UDO) is complete. Dennis Marstall explained that Council could slow down the number of text amendments by not approving each amendment that is presented to Council. Council and Staff discussed the positive and negative aspects of continuing to allow text amendments to come forward during the Unified Development Ordinance (UDO) rewrite. After discussion, Council informed staff that they would continue to consider text amendments

on a case-by-case basis.

Airport Terminal and Lighting Vault Project Update - Dennis Marstall

Dennis Marstall announced the Airport Terminal Project federal grant was finalized and that the County was at a point to provide a notice to proceed with the Procurement Department in October. Ken Holt provided an update on the Airport Terminal and Lighting Vault Project via the County's PowerPoint that is attached to the written minutes in the Clerk to Council's Office. Council wanted to be provided with the exact escalations for the project. Council and Staff discussed the legal aspects of not accepting the cost escalations, whether the escalations were eligible for grant funding, whether a change order would be eligible for grant funding, and other decision points regarding the project. Ken Holt noted that all funding is guaranteed, except for the additional State funding. Jose Luis requested a physical copy of the information that Ken Holt was using for explanations.

Adjournment

Jose Luis moved to adjourn. Seconded by Terry Graham. Motion Passed 7-0.

There being no further business to discuss, the Committee of the Whole meeting adjourned at approximately 5:26 p.m.

DRAFT

Agenda Item Summary

Ordinance # / Resolution #: N/A
Contact Person / Sponsor: Sherrie Simpson / Clerk to Council / Administration
Department: County Clerk
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Approve or amend the minutes from the September 25, 2023, County Council regular meeting.

Points to Consider:
The draft minutes from the September 25, 2023, County Council regular meeting are attached for Council's review and consideration.

Funding and Liability Factors:
There are no funding or liability factors regarding approval of minutes.

Recommendation:
Approve the minutes as written.

ATTACHMENTS:

Description	Upload Date	Type
Draft Minutes from the 9-25-2023 County Council Regular Meeting	10/5/2023	Backup Material

Council Members
District 1: Terry Graham
District 2: Charlene McGriff
District 3: Billy Mosteller, Secretary
District 4: Jose Luis
District 5: Steve Harper, Chair
District 6: Allen Blackmon
District 7: Brian Carnes, Vice-Chair

County Administrator
Dennis E. Marstall

County Attorney
Ginny L. Merck-Dupont

Clerk to Council
Sherrie Simpson

September 25, 2023 | **6:00 PM** | **101 North Main Street, Lancaster, SC 29720**

LANCASTER COUNTY COUNCIL
County Council Chambers, County Administration Building, 101 North Main Street, Lancaster, SC 29720

MINUTES

DRAFT

Council Members Present: Allen Blackmon, Brian Carnes, Steve Harper, and Billy Mosteller.

Absent: Terry Graham, Jose Luis, and Charlene McGriff.

Staff Members/Others present: Dennis Marstall, County Administrator; Ginny Merck-Dupont, County Attorney; Sherrie Simpson, Clerk to Council; Lauren Hill, Deputy Clerk to Council/Administrative Assistant; Stephany Snowden, Deputy County Administrator; Allison Hardin, Development Services Director; Veronica Thompson, Financial Services Division Director; Graham Shuford, Interim Budget Director; Brian Fulk, Economic Development Director; Mike Burns, Attorney with Burr Forman; the press; various elected officials; various Department Heads; various employees; and citizens.

A quorum of Lancaster County Council was present for the meeting. The following press were notified of the meeting by e-mail in accordance with the Freedom of Information Act: *The Lancaster News, Kershaw News Era, The Rock Hill Herald,* Cable News 2, Channel 9 and the local government channel. The agenda was posted in the lobby of the County Administration Building and also on the County website the required length of time. The power point presentation utilized during the meeting is attached to the written minutes in the Clerk to Council's office.

Call to Order Regular Meeting - Chairman Steve Harper

Chairman Steve Harper called the regular meeting of County Council to order at approximately 6:00 p.m.

Welcome and Recognition - Chairman Steve Harper

Chairman Steve Harper welcomed everyone to the meeting.

Pledge of Allegiance and Invocation - Council Member Billy Mosteller

Billy Mosteller led the Pledge of Allegiance to the American Flag and delivered the Invocation.

Dennis Marstall introduced the new Deputy Clerk to Council/Administrative Assistant, Lauren Hill.

Approval of the Agenda

Brian Carnes moved to approve the agenda. Seconded by Allen Blackmon. Motion Passed 4-0.; Absent: Graham, Luis, McGriff

Citizens Comments

The following citizens signed up for and spoke during Citizens Comments: None.

The following citizens submitted electronic, written comments for Citizens Comments:

1. Lisa Enfinger, no address listed, wrote in regarding the need for laws to control breeding. A copy of her comments were provided to Council and a physical copy of her written comments are attached as Schedule A to the written minutes in the Clerk to Council's office.

Special Presentations

Joe Grier, Chair, and Ann Christie, Secretary, provided the annual report from the Historical Commission to Council. They provided this update via a power point presentation that is attached as Schedule B to the written minutes in the Clerk to Council's office. They also provided an updated physical copy of their 2022-2023 Yearly Report to Council, which is attached as Schedule C to the written minutes in the Clerk to Council's office.

Consent Agenda

Billy Mosteller moved to approve Consent Agenda Item **7a.** [which is the same as Item **a.** listed below]. Seconded by Brian Carnes. The Consent Agenda item passed by a vote of 4-0.; Absent: Graham, Luis, McGriff.

DRAFT

a. Approval of Minutes from the September 11, 2023 County Council Regular Meeting

Non-Consent Agenda

2nd Reading of Ordinance 2023-1874 regarding Approval of the Issuance of Certain Installment Purchase Revenue Bonds

Ordinance Title: An Ordinance Authorizing Lancaster County, South Carolina, To Enter Into A Base Lease And Conveyance Agreement And An Installment Purchase And Use Agreement Each Between The County And Lancaster County Public Facilities Corporation; Approving The Form And Terms Of A Trust Agreement Between Lancaster County Public Facilities Corporation And Regions Bank, As Trustee, In Connection With The Issuance Of Certain Installment Purchase Revenue Bonds (Lancaster County Project) In One Or More Series; Consenting To The Issuance Of Such Installment Purchase Revenue Bonds; Providing For An Exemption From The County's Procurement Code; Delegating Authority To The Chairman Of County Council And The County Administrator, Or Either Of Them Acting Alone, To Approve And Determine Certain Matters; And Other Matters Relating Thereto.

Billy Mosteller moved to approve the 2nd Reading of Ordinance 2023-1874. Seconded by Brian Carnes.

Dennis Marstall explained that Frannie Heizer of the Burr Forman law firm was available via telephone if Council had any questions. Veronica Thompson explained that there were no changes to the Ordinance for 2nd Reading. She noted that the County was financing a not to exceed amount of seventy-six million dollars for the Detention Center and a not to exceed amount of twenty-six million, seven hundred thirty thousand dollars for the Regional Park. She further noted that Frannie Heizer would be available in person for the 3rd Reading of the Ordinance. There was no discussion from Council.

The 2nd Reading of Ordinance 2023-1874 Passed by a vote of 3-1. Ayes: Carnes, Harper, Mosteller; Nayes:

Blackmon; Absent: Graham, Luis, McGriff.

2nd Reading of Ordinance 2023-1866 regarding Approval of a Fee In Lieu of Tax and Incentive Agreement with Project E3 Providing for the Payment of a Fee-In-Lieu of Taxes and the Provision of Special Source Revenue Credits

Ordinance Title: An Ordinance To Authorize And Approve The Execution And Delivery Of A Fee In Lieu Of Tax And Incentive Agreement Between Lancaster County, South Carolina And Project E3 Providing For The Payment Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund; To Approve A Property Conveyance Agreement Relating To The Conveyance Of Approximately |___| Acres Of Real Property Owned By Lancaster County And Located In |_____| To Project E3 Or An Entity To Be Designated By It; And To Provide For Other Matters Related Thereto.

Brian Carnes moved to approve the 2nd Reading of Ordinance 2023-1866. Seconded by Billy Mosteller.

Brian Fulk reviewed the project with Council and noted the two changes since the 1st Reading. The project details can be found on the Agenda Item Summary page in the agenda packet. There was no discussion from Council.

The 2nd Reading of Ordinance 2023-1866 Passed by a vote of 3-1. Ayes: Carnes, Harper, Mosteller; Nayes: Blackmon; Absent: Graham, Luis, McGriff.

Public Hearing and 3rd Reading of Ordinance 2023-1873 regarding an Easement for Duke Energy Located on Aviation Boulevard

Ordinance Title: An Ordinance To Approve An Easement Grant To Duke Energy Carolinas, LLC Upon Real Property Owned By Lancaster County And Located At 286 Aviation Boulevard Bearing Tax Parcel Number 0066-00-027.00 And To Authorize County Officials To Take Such Actions As Are Necessary To Effectuate The Grant Of The Easements And To Effectuate The Purposes Of This Ordinance.

Dennis Marstall explained that this Ordinance had no changes since 1st Reading.

Steve Harper opened the Public Hearing for Ordinance 2023-1873 at approximately 6:30 p.m.
He noted that no one signed up to speak at the Public Hearing for the Ordinance.
There were approximately 15 citizens, including staff members, in attendance during the Public Hearing for this Ordinance.
The following speakers came forward to make comments or sent in written comments regarding the Ordinance: None.
Steve Harper closed the Public Hearing at approximately 6:30 p.m.

Billy Mosteller moved to approve the 3rd Reading of Ordinance 2023-1873. Seconded by Brian Carnes. There was no discussion from Council. The 3rd Reading of Ordinance 2023-1873 Passed by a vote of 3-1. Ayes: Carnes, Harper, Mosteller; Nayes: Blackmon; Absent: Graham, Luis, McGriff.

2nd Reading of Ordinance 2023-1875 regarding Amending the Fiscal Year 2023-2024 Budget Related to Renovations

Ordinance Title: An Ordinance To Amend Ordinance No. 2023-1849, Relating To The Appropriation Of Funds And The Approval Of A Detailed Budget For Lancaster County For The Fiscal Year Beginning July 1, 2023 And Ending June 30, 2024 (FY 2023-2024), To Further Provide For Revenues And Expenditures During The Fiscal Year; And To Provide For Matters Related Thereto.

Allen Blackmon moved to approve the 2nd Reading of Ordinance 2023-1875. Seconded by Billy Mosteller.

Dennis Marstall explained the need for the budget amendment and that explanation can be found on the Agenda

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Item Summary page of the agenda packet. There was no discussion from Council.

The 2nd Reading of Ordinance 2023-1875 passed by a vote of 4-0.; Absent: Graham, Luis, McGriff.

2nd Reading of Ordinance 2023-1869 regarding Rezoning Property Located at 2458 Mineral Mining Road, Kershaw, from Light Industrial (LI) to Agricultural Residential (AR) District (Applicants Charles and Ruth Strunk)

Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 6.60 Acres (TM# 0098-00-037.01) Located At 2458 Mineral Mining Road, Kershaw, From Light Industrial (LI) District To Agricultural Residential (AR) District. - ***Planning Department Case Number: RZ-2023-1197.***

Allen Blackmon moved to approve the 2nd Reading of Ordinance 2023-1869. Seconded by Brian Carnes.

Allison Hardin explained that the 3rd Reading of this Ordinance would need to be held until a companion Comprehensive Plan Amendment could be approved at the same time.

The 2nd Reading of Ordinance 2023-1869 passed by a vote of 4-0.; Absent: Graham, Luis, McGriff.

2nd Reading of Ordinance 2023-1864 regarding Amending the Unified Development Ordinance Related to Section 6.5 Street Classification and Design

Ordinance Title: An Ordinance To Amend The Unified Development Ordinance ("UDO") Sections 4.4.1 (Cluster Subdivision Overlay District), 6.14 (Road Construction Standards), And 10.4 (Definitions), All Pertaining To Street Definition And Design, On The Effective Date Of This Ordinance - ***Planning Department Case Number: UDO-TA-2023-0975.***

Brian Carnes moved to approve the 2nd Reading of Ordinance 2023-1864. Seconded by Billy Mosteller.

Allison Hardin provided an update for the text amendment via the County power point presentation and that power point is attached to the written minutes in the Clerk to Council's office. Council and staff discussed the positive and negative aspects of the text amendment and whether the twenty-first person that subdivided a property would be the sole person that had to pay for paving the road. Council and staff further discussed the required length for a cul-de-sac and how that length effected public safety access, that citizens were not allowed to park on a cul-de-sac road, whether the text amendment would be retroactive, and what would happen if the process was abused. Council asked that the word "road" be inserted after the word "Cul-de-sac" for the Ordinance's Exhibit 1, Section 6.14.1(B).

The 2nd Reading of Ordinance 2023-1864 passed by a vote of 4-0.; Absent: Graham, Luis, McGriff.

1st Reading of Ordinance 2023-1865 regarding Amending the Unified Development Ordinance related to Chapter 2, Section 2.4 District Standards for Medium Density Residential (MDR)

Ordinance Title: An Ordinance To Amend The Unified Development Ordinance ("UDO") Chapter 2 (District Standards), Chapter 5 (Use Regulations), And Chapter 6 (Subdivision And Infrastructure Standards) Relating To The Medium Density Residential (MDR) Zoning District, On The Effective Date Of This Ordinance - ***Planning Department Case Number: UDO-TA-2023-0972.***

Allen Blackmon moved to postpone action and send Ordinances 2023-1865 and 2023-1870 to the November Committee of the Whole (COW) meeting for discussion. Seconded by Billy Mosteller.

Council stated that they felt like they needed to have a more in depth discussion of these two text amendments at a Committee of the Whole meeting prior to taking a vote.

The motion to postpone action on Ordinances 2023-1865 and 2023-1870 and move them to the November

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Committee of the Whole meeting passed by a vote of 4-0.; Absent: Graham, Luis, McGriff.

1st Reading of Ordinance 2023-1870 regarding Amending the Unified Development Ordinance (UDO) related to Chapter 4, Section 4.4.1 Cluster Subdivision Overlay Standards

Ordinance Title: An Ordinance To Amend The Unified Development Ordinance ("UDO") Sections 4.4.1 (Cluster Subdivision Overlay District) On The Effective Date Of This Ordinance - ***Planning Department Case Number: UDO-TA-2023-0973.***

Please see the 1st Reading of Ordinance 2023-1865 for the discussion and vote regarding the 1st Reading of Ordinance 2023-1870.

1st Reading of Ordinance 2023-1876 regarding Amending the Budget for Fiscal Year 2023-2024 Relating to Additional Revenue, Public Safety Support, and Transfer of Funds

Ordinance Title: An Ordinance To Amend Ordinance No. 2023-1849, Relating To The Appropriation Of Funds And The Approval Of A Detailed Budget For Lancaster County For The Fiscal Year Beginning July 1, 2023 And Ending June 30, 2024 (FY 2023-2024), To Further Provide For Revenues And Expenditures During The Fiscal Year; And To Provide For Matters Related Thereto.

Brian Carnes moved to approve the 1st Reading of Ordinance 2023-1876. Seconded by Allen Blackmon.

Graham Shuford explained that this Ordinance included supplemental revenue coming from the State, a donation for public safety support, and a transfer of funds from Capital Project Sales Tax (CPST) 2 to CPST 3. There was no discussion from Council.

The 1st Reading of Ordinance 2023-1876 passed by a vote of 4-0.; Absent: Graham, Luis, McGriff.

Discussion and Action Items

Approval of Appointments and Reappointments to Various Boards or Commissions

- Hal Crenshaw as the District 2 representative to the Airport Advisory Board to fill a four year term that would expire on 06/30/2027 (2nd Term)
- James Bryant Neal as the District 6 representative to the Board of Assessment Appeals to fill a four year term that would expire on 06/30/2027 (1st Term)
- Marylene Stover as the District 2 representative to the Board of Assessment Appeals to fill a second four year term that would expire on 06/30/2027 (2nd Term)
- Solomon Goldiamond as the District 4 representative to the Board of Assessment Appeals to fill his first four year term that would expire on 06/30/2027 (1st Term)

Brian Carnes moved to approve. Seconded by Allen Blackmon. All of the appointments on the agenda were approved by unanimous vote of 4-0.; Absent: Graham, Luis, McGriff.

Executive Session

Four Items:

1. Receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to land acquisition.

2. Receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to land acquisition.

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3. Receipt of legal advice subject to the attorney-client privilege regarding potential contractual matters related to Economic Development Agreements with Rico Industries, Horton Machine, Nibrol, Cooley Group, and Red Ventures.

4. Receipt of legal advice subject to the attorney-client privilege regarding Boards and Commissions ability to seek funding.

Steve Harper stated that he needed a motion to go into Executive Session for the receipt of legal advice subject to the attorney-client privilege regarding two potential contractual matters relating to land acquisition; the receipt of legal advice subject to the attorney-client privilege regarding potential contractual matters related to Economic Development Agreements with Rico Industries, Horton Machine, Nibrol, Cooley Group and Red Ventures; and the receipt of legal advice subject to the attorney-client privilege regarding Boards and Commissions ability to seek funding. He invited the Economic Development Director into Executive Session for the third item. Allen Blackmon stated that he so moved. Seconded by Billy Mosteller. The motion to go into Executive Session Passed 4-0.; Absent: Graham, Luis, McGriff. At approximately 6:57 p.m., Council went into Executive Session.

Items Requiring a Vote Following Executive Session

Council came out of Executive Session and Steve Harper called the Council meeting back to order at approximately 7:55 p.m. Brian Carnes moved to come out of Executive Session. Seconded by Billy Mosteller. The motion to come to come out of Executive Session passed by a vote of 4-0.; Absent: Graham, Luis, McGriff.

Upon returning to open session, Ginny Merck-Dupont noted, for the record, that during Executive Session, Council discussed four (4) items: (1) receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to land acquisition; and (2) receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to land acquisition; (3) receipt of legal advice subject to the attorney-client privilege regarding potential contractual matters related to Economic Development Agreements with Rico Industries, Horton Machine, Nibrol, Cooley Group, and Red Ventures; and (4) receipt of legal advice subject to the attorney-client privilege regarding Boards and Commissions ability to seek funding. She stated that, during Executive Session, no motions were made and no votes were taken.

Adjournment

Allen Blackmon moved to adjourn the Council meeting. Seconded by Brian Carnes. The motion to adjourn passed 4-0.; Absent: Graham, Luis, McGriff.

There being no further business, the regular meeting of Council adjourned at approximately 7:57 p.m.

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Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1874
Contact Person / Sponsor: Dennis Marstall / Administration
Department: Administration
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
This Ordinance will authorize the County to enter into certain transactions with the Lancaster County Public Facilities Corporation, a South Carolina nonprofit corporation in order to undertake the acquisition, improvement, construction and equipping of certain new county facilities consisting of a detention center and a regional park.

Points to Consider:
County Council has been discussing its desire over the past two years to build a new Detention Facility, which was also supported as part of the Capital Projects Sales Tax 3 ballot initiative, as well as a Regional Park.

The designs and funding projections have been reviewed, with Council input provided for both projects.

In order to proceed to final design and bid stage for both projects, the financing plan needs to be finalized.

Through advice of Bond Counsel and the County's Financial Advisor, the most economical structure to fund both projects at once, recognizing they have different funding streams, is to utilize the Installment Purchase Revenue Bond structure. This funding structure has previously been successfully utilized by the County when it constructed the County Courthouse.

The financing structure call for the creation of a public facilities corporation which agrees to cause to be issued and sold its Installment Purchase Revenue Bonds, in one or more series, for the purposes of defraying the costs of the 2023 Projects.

This type of financing structure will not over extend the amount of borrowing capacity currently available to the County through the General Obligation bonding financing option.

After reviewing various financing alternatives with regard to the 2023 Projects, it has been determined that this finance plan is the most efficient and expeditious manner in which to finance the following 2023 projects: (1) not exceeding $76,000,000 available for the Detention Center and (2) a not exceeding $26,730,000 for the Regional Park.

Bond Council will be Burr Forman, Financial Advisor will be Compass Municipal Advisors, LLC, the Trustee will be Regions Bank, and the Underwriter/Purchaser will be Piper Sandler & Co.

Funding and Liability Factors:
The total project cost for the detention center is anticipated to be $90 million dollars and the total project cost for the Regional Park is anticipated to be $34,730,000.

The funding source for the Detention Center is $30,133,800 from Capital Project Sales Tax 3 funds, plus $14 million in excess funds generated from Capital Projects Sales Tax 2 funds. It is anticipated that County Council will direct any excess funds generated from Capital Projects Sales Tax 3 to the Detention Center Project, as well as include final payoff for the Detention Center as part of a potential Capital Projects Sales Tax 4 initiative, if needed.

Given the anticipated Detention Center Project is $90 million and there is $14 million cash on hand from Capital Project Sales Tax 3, the financing amount needed for this project is $76 million.

The funding source for the Regional Park is the county's hospitality tax. The county has $8 million cash on hand that has been generated from the hospitality tax, and the anticipated annual revenue from the hospitality tax is projected to be sufficient to make the annual bond payments for the project.

Given the anticipated Regional Park project is $34,730,000 and there is $8 million cash on hand, the financing needed for this project is $26,730,000.

Combined the two projects will need financing of $102,730,000 and with bond financing and underwriting costs of potentially $1,100,000 the total bonds issuance will be $103,830,000 or just over 1% of the total project funding amount.

The bonds will be structured to be paid off over twenty years, with an option to pay them off early, if desired based on revenue from the funding streams.

Recommendation:
Approval of the Ordinance.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1874	10/2/2023	Ordinance
Exhibit D to Ordinance 2023-1874 - Form of Base Lease And Conveyance Agreement	9/5/2023	Exhibit
Exhibit E to Ordinance 2023-1874 - Form of Installment Purchase And Use Agreement	9/5/2023	Exhibit
Exhibit F to Ordinance 2023-1874 - Form of Trust Agreement	9/5/2023	Exhibit
Exhibit G -- Installment Purchase Revenue Bonds	9/7/2023	Exhibit
Funding Profoma	9/7/2023	Backup Material
Bonding Finance Schedule	9/7/2023	Backup Material
Notice of Public Hearing for Ordinance 2023-1874	10/3/2023	Public Hearing Notices

STATE OF SOUTH CAROLINA	**)**	
	)	**ORDINANCE 2023-1874**
COUNTY OF LANCASTER	**)**	

AN ORDINANCE AUTHORIZING LANCASTER COUNTY, SOUTH CAROLINA, TO ENTER INTO A BASE LEASE AND CONVEYANCE AGREEMENT AND AN INSTALLMENT PURCHASE AND USE AGREEMENT EACH BETWEEN THE COUNTY AND LANCASTER COUNTY PUBLIC FACILITIES CORPORATION; APPROVING THE FORM AND TERMS OF A TRUST AGREEMENT BETWEEN LANCASTER COUNTY PUBLIC FACILITIES CORPORATION AND REGIONS BANK, AS TRUSTEE, IN CONNECTION WITH THE ISSUANCE BY THE CORPORATION OF NOT EXCEEDING $103,830,000 PRINCIPAL AMOUNT OF ITS INSTALLMENT PURCHASE REVENUE BONDS (LANCASTER COUNTY PROJECT) IN ONE OR MORE SERIES; CONSENTING TO THE ISSUANCE OF SUCH INSTALLMENT PURCHASE REVENUE BONDS; PROVIDING FOR AN EXEMPTION FROM THE COUNTY'S PROCUREMENT CODE; DELEGATING AUTHORITY TO THE CHAIRMAN OF COUNTY COUNCIL AND THE COUNTY ADMINISTRATOR, OR EITHER OF THEM ACTING ALONE, TO APPROVE AND DETERMINE CERTAIN MATTERS; AND OTHER MATTERS RELATING THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and Determinations

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (the "County") acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "S.C. Code"), and specifically Section 4-9-30(2) thereof, to acquire, lease, sell, or otherwise dispose of real and personal property.

(b) In order to undertake the acquisition, improvement, construction and equipping of certain new county facilities consisting of a detention center which the County anticipates will cost approximately $90,000,000 (the "Detention Center") and a regional park which the County anticipates will cost approximately $34,730,000 (the "Regional Park"), all as described on Exhibit B hereof, as the same may be amended from time to time (collectively, the "2023 Projects"), it is proposed that the County enter into certain transactions with Lancaster County Public Facilities Corporation, a South Carolina nonprofit corporation (the "Corporation"), specifically the Base Lease and Conveyance Agreement and the Installment Purchase and Use Agreement (as such terms are defined in Section 2 hereof) under which:

(i) the County will lease certain parcels of real property upon which the 2023 Projects will be located (the "2023 Real Property," as more particularly defined in Section 2 hereof), and will convey any existing improvements thereon (the "Conveyed Improvements"), to the Corporation for the Base Lease Term (as defined in the Base Lease and Conveyance Agreement);

(ii) the Corporation will agree to cause to be issued and sold not exceeding $103,830,000 principal amount of its Installment Purchase Revenue Bonds (Lancaster County Project), in one or more series (the "New Bonds") pursuant to a Trust Agreement between the Corporation and Regions Bank, as trustee (the "Trustee");

(iii) the Corporation will use the proceeds from the sale of the New Bonds for the purposes of defraying the costs of the 2023 Projects (e.g., not exceeding $76,000,000 of such proceeds would be available for the Detention Center and not exceeding $26,730,000 of such proceeds would be available for the Regional Park) and for such other purposes as are provided in the Installment Purchase and Use Agreement and the Trust Agreement;

(iv) the County intends to use (a) approximately $14,000,000 of surplus collections on hand from its recently completed capital projects sales tax ("Sales Tax #2") to defray a portion of the cost of the Detention Center, and (b) approximately $8,000,000 of hospitality tax collections on hand to defray a portion of the costs of the Regional Park during the term of the New Bonds;

(v) the Corporation will sell to the County the 2023 Facilities (which are generally defined in the Installment Purchase and Use Agreement to mean the 2023 Projects and the Conveyed Improvements) and, upon payment by the County of Base Payments (as defined in the Installment Purchase and Use Agreement), title to an undivided interest in the 2023 Facilities equal to the percentage of the Purchase Price (as defined in the Installment Purchase and Use Agreement) represented by such payment will transfer from the Corporation to the County without further action by either party;

(vi) subject to an Event of Nonappropriation (as defined in the Installment Purchase and Use Agreement), the County will pay to the Trustee as assignee of the Corporation, Base Payments and Additional Payments (as defined in the Installment Purchase and Use Agreement) in such amounts and at such times as will be specified in the Installment Purchase and Use Agreement; and

(vii) the County intends to use a portion of the initial collections from its current capital projects sales tax ("Sales Tax #3") in an amount not to exceed $30,133,800, to make a portion of the Base Payments under the Installment Purchase and Use Agreement (e.g., those allocable to the Detention Center) and, to the extent there are surplus collections from Sales Tax #3, the County may elect to use all or a portion of such surplus collections in connection with such Base Payments or otherwise with respect to the New Bonds allocable to the Detention Center.

(c) Pursuant to the Trust Agreement and the Assignment Agreement (as defined in Section 3 hereof), the Corporation's right to receive the Base Payments and certain other payments as provided in the Trust Agreement and the Installment Purchase and Use Agreement (with certain exceptions as provided therein), and rights in and to the 2023 Facilities, the Installment Purchase and Use Agreement, the Base Lease and Conveyance Agreement and the property rights evidenced thereby, the 2023 Real Property will be assigned to the Trustee.

(d) The Installment Purchase and Use Agreement and the Trust Agreement will grant certain rights to the Trustee upon the occurrence of an Event of Default (as defined in such agreements) or an Event of Nonappropriation under the Installment Purchase and Use Agreement, including the right of the Trustee to propose a division of the 2023 Facilities and the right to pursue or direct the Trustee to pursue (as applicable) any remedies granted under such agreements.

(e) The 2023 Projects are necessary in order for the County to provide adequate and appropriate public facilities to citizens and residents of the County. The Council has considered various financing alternatives with regard to the 2023 Projects and has concluded that the plan of finance authorized

and approved by this Ordinance is the most efficient and expeditious manner in which to finance the 2023 Projects. Administrative officials of the County in consultation with Bond Counsel and the Financial Advisor have thoroughly reviewed the plan of finance. In order to finance the cost of the 2023 Projects, the County has determined to approve the respective agreements described in this Ordinance and to enter into certain of such agreements.

(f) It is now in the best interest of the County for the Council to approve the issuance and sale by the Corporation of the New Bonds for the purposes of (i) defraying a portion of the costs associated with the acquisition and construction of the 2023 Projects (e.g., not exceeding $76,000,000* of the sale proceeds of the New Bonds would be available for the Detention Center and not exceeding $26,730,000* of the sale proceeds of the New Bonds would be available for the Regional Park); (ii) funding a debt service reserve fund (the "Reserve Fund"), if any, in an amount equal to the applicable reserve requirement; (iii) paying the premium of the Bond Insurance Policy, if any; and (iv) paying certain costs and expenses relating to the issuance of the New Bonds.

Section 2. Definitions.

The terms defined in this Section for all purposes of this Ordinance shall have the respective meanings as set forth in this Section. The term:

"2023 Facilities" shall have the meaning ascribed in the Installment Purchase and Use Agreement, as described in the recitals hereof.

"2023 Projects" means the acquisition, improvement, construction and equipping of certain new county facilities all as described on Exhibit B hereof, as the same may be amended from time to time.

"2023 Real Property" means the respective parcels of real property upon which certain improvements (including the Conveyed Improvements and certain of the 2023 Projects), fixtures and personal property are located and comprising a portion of the 2023 Facilities, situated in the County and described in Exhibit C hereof, as the same may be amended from time to time.

"Assignment Agreement" means the Assignment Agreement from the Corporation to the Trustee dated as of a date as may be determined by the Chairman of the Council and the County Administrator, or either one of them acting alone, as amended or supplemented from time to time.

"Base Lease and Conveyance Agreement" means the Base Lease and Conveyance Agreement between the County and the Corporation dated as of a date as may be determined by the Chairman of the Council and the County Administrator, or either one of them acting alone, as amended and supplemented from time to time.

"Council" means the County Council of the County.

"Bond Counsel" means Burr & Forman LLP.

"Bond Insurance Policy" shall mean the municipal bond insurance policy or similar guarantee to be issued by the Bond Insurer, if any.

"Bond Insurer" means the municipal bond insurance company selected by the Corporation to insure the payment of the New Bonds, if any.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor internal revenue laws of the United States enacted by the Congress of the United States in replacement thereof. References to the Code and sections of the Code include relevant applicable regulations, temporary regulations and proposed regulations thereunder and any successor provisions to those sections, regulations, temporary regulations or proposed regulations.

"Conveyed Improvements" shall have the meaning set forth in the Installment Purchase and Use Agreement, as described in the recitals hereof.

"Corporation" means Lancaster County Public Facilities Corporation, a South Carolina non profit corporation, and its successors and assigns.

"County" means Lancaster County, South Carolina.

"Financial Advisor" means Compass Municipal Advisors, LLC.

"Installment Purchase and Use Agreement" means the Installment Purchase and Use Agreement between the County and the Corporation dated as of a date as may be determined by the Chairman of the Council and the County Administrator, or either one of them acting alone, as amended or supplemented from time to time.

"New Bonds" means the Lancaster County Public Facilities Corporation, Installment Purchase Revenue Bonds (Lancaster County Project), in one or more series, which are issued in a principal amount not exceeding $103,830,000 principal amount.

"Ordinance" means this Ordinance No. 2023-1874 of the Council.

"Purchase Agreement" means the Bond Purchase Agreement relating to the New Bonds between the Underwriter/Purchaser and the Corporation dated as of a date as may be determined by the parties thereto.

"Trust Agreement" means the Trust Agreement between the Corporation and the Trustee dated as of a date as may be determined by the parties thereto pursuant to which the New Bonds will be issued.

"Trustee" means Regions Bank, its successors and assigns.

"Underwriter/Purchaser" means Piper Sandler & Co., or an affiliate related thereto.

Section 3. Approval of Issuance of New Bonds and Plan of Finance.

The County hereby approves the Corporation, its purposes and activities and the issuance and sale by the Corporation of its New Bonds in substantial conformance to the documents described herein and presented to the Council at the meeting of the Council at which this Ordinance was adopted.

For the purposes of the financing contemplated by the Installment Purchase and Use Agreement and the Trust Agreement, the Council does hereby approve (i) the County's leasing the 2023 Real Property and

conveying the Conveyed Improvements to the Corporation pursuant to the Base Lease and Conveyance Agreement; (ii) the County's purchasing the 2023 Facilities from the Corporation pursuant to the Installment Purchase and Use Agreement; (iii) the Trust Agreement and the Assignment Agreement; (iv) the 2023 Projects; and (v) the Corporation's use of the proceeds of the New Bonds to fund, together with other available moneys of the County, the 2023 Projects, to fund the Reserve Fund, if any, which may be satisfied through the purchase of a municipal debt service reserve surety policy or similar guarantee that may be issued by the Bond Insurer (the "Reserve Surety"), and to pay certain costs of issuance of the New Bonds, including the premium for the Bond Insurance Policy and/or the Reserve Surety, if any; provided, that the references to "2023" in the definitions and capitalized terms included in this Ordinance and in the agreements authorized by this Ordinance may be modified to reflect the calendar year in which the New Bonds are issued, if other than 2023.

The County, for the purposes of the financing contemplated by the Base Lease and Conveyance Agreement, the Installment Purchase and Use Agreement and the Trust Agreement, represents that it currently owns the 2023 Real Property and all of such 2023 Real Property is or will be located within the geographic boundaries of the County.

Pursuant to the Base Lease and Conveyance Agreement, the County will lease the 2023 Real Property and will convey the Conveyed Improvements to the Corporation for the Base Lease Term. Pursuant to the Installment Purchase and Use Agreement, the Corporation will sell the 2023 Facilities to the County and upon payment by the County of Base Payments, title to an undivided interest in the 2023 Facilities equal to the percentage of the Purchase Price represented by such payment will transfer from the Corporation to the County without further action by either party.

Pursuant to the Trust Agreement, the Corporation's right to receive the Base Payments and rights to receive certain of the Additional Payments, as provided in the Trust Agreement and in the Installment Purchase and Use Agreement (with certain exceptions as provided in the Trust Agreement and the Installment Purchase and Use Agreement), will be assigned to the Trustee. The New Bonds will be authenticated and delivered by the Trustee pursuant to the Trust Agreement.

The net proceeds from the sale of the New Bonds to the Registered Owners of the New Bonds (the "Registered Owners") will be disbursed in accordance with the provisions of the Trust Agreement for the purposes set forth in Section 1(g) above.

The County will accept title to the property financed by the New Bonds, including any additions to such property, when the New Bonds are discharged.

Section 4. Approval of the Base Lease and Conveyance Agreement.

The form, terms and provisions of the Base Lease and Conveyance Agreement, a copy of which has been presented to Council at the meeting during which this Ordinance was enacted and which is attached hereto as Exhibit D, be and hereby are approved. The Chairman of the Council and the County Administrator, or either of them acting alone, be and is hereby authorized, empowered and directed to execute, acknowledge and deliver, and the Clerk to the Council is hereby authorized, empowered and directed to attest the Base Lease and Conveyance Agreement in the name and on behalf of the County, and thereupon to cause the Base Lease and Conveyance Agreement to be delivered to the Corporation and to cause the Base Lease and Conveyance Agreement (or memoranda thereof) to be recorded in the office of the Register of Deeds for Lancaster County. The Chairman of the Council and the County Administrator, or either of them acting alone, with advice from the County's attorneys, are hereby delegated the authority to

approve such changes or revisions in the form, terms and provisions of the Base Lease and Conveyance Agreement as may be appropriate for the financing plan contemplated thereby. The execution thereof shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of Base Lease and Conveyance Agreement now before this meeting. Any amendment to the Base Lease and Conveyance Agreement shall be executed in the same manner.

Section 5. Approval of the Installment Purchase and Use Agreement.

The form, terms and provisions of the Installment Purchase and Use Agreement, a copy of which has been presented to Council at the meeting during which this Ordinance was enacted and which is attached hereto as Exhibit E, be and hereby are approved. The Chairman of the Council and the County Administrator, or either of them acting alone, be and is hereby authorized, empowered and directed to execute, acknowledge and deliver, and the Clerk to the Council is hereby authorized, empowered and directed to attest the Installment Purchase and Use Agreement in the name and on behalf of the County, and thereupon to cause the Installment Purchase and Use Agreement to be delivered to the Corporation and to cause the Installment Purchase and Use Agreement (or memoranda thereof) to be recorded in the office of the Registrar of Deeds for Lancaster County. The Chairman of the Council and the County Administrator, or either of them acting alone, with advice from the County's attorney, are delegated the authority to approve such changes or revisions in the form, terms and provisions of the Installment Purchase and Use Agreement as may be appropriate for the financing plan contemplated thereby. The execution thereof shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of Installment Purchase and Use Agreement now before this meeting. Any amendment to the Installment Purchase and Use Agreement shall be executed in the same manner.

Section 6. Approval of the Trust Agreement.

The form, terms and provisions of the Trust Agreement, a copy of which has been presented to Council at the meeting during which this Ordinance was enacted and which is attached hereto as Exhibit F, are hereby approved. The County does hereby approve and consent to the Trust Agreement with such changes in the form, terms and provisions thereof as the Chairman of the Council and the County Administrator, or either one of them acting alone, shall approve.

Section 7. Sale of the New Bonds.

With the advice of the County's Financial Advisor and Bond Counsel, the New Bonds shall be sold by the Corporation in a public offering or in a private offering or private placement transaction, and such sale may be conducted to or with the assistance of the Underwriter/Purchaser. In connection therewith, the Chairman of the Council and the County Administrator, or either one of them acting alone, are hereby authorized and directed to take such actions in connection with the preparation, publication and/or distribution of information, offering documents (and to "deem final" preliminary versions of such offering documents for purposes of complying with the requirements set forth in Rule 15c2-12 of the Securities and Exchange Commission, promulgated under the Securities Exchange Act of 1934, as amended), private placement memoranda or requests for proposals (as applicable), to solicit interest and receive offers from financial institutions and institutional investors to purchase the New Bonds in a private offering, and to accept such offer which is in the best interest of the Corporation and the County.

Section 8. Approval of the Purchase Agreement.

The form of the Purchase Agreement, a copy of which has been presented to Council at the meeting during which this Ordinance was enacted, is attached hereto as Exhibit G. The Chairman of the Council and the County Administrator, or either of them acting alone, is hereby authorized, empowered and directed to execute, acknowledge and deliver the Certificate of the County which is attached as an exhibit to the Purchase Agreement in the name of and on behalf of the County. The Chairman of the Council and the County Administrator, or either of them acting alone, with the advice from the County's attorneys, is hereby delegated the authority to approve such changes or revisions in the form, terms and provisions of the Certificate of the County as may be appropriate for the financing plan contemplated thereby. The execution thereof shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of the Certificate of the County now before this meeting.

Section 9. Trustee, Registrar and Paying Agent.

The County hereby consents to the appointment by the Corporation of Regions Bank, as Trustee, Registrar and Paying Agent under the terms and conditions provided in the Trust Agreement.

Section 10. Exemption from Procurement Policy.

Pursuant to Chapter 2, Article VI of the Lancaster County Code of Ordinances, the Council has adopted a procurement code (the "Procurement Code") which provides for the procedures to be followed in the procurement of certain services and the sale or lease of certain property. The Council hereby finds that the services to be provided in connection with the plan of finance and the contracts to be entered into including but not limited to the Base Lease and Conveyance Agreement and the Installment Purchase and Use Agreement, are outside of the scope of the Procurement Code and are not covered by the terms and conditions of the Procurement Code. The Council also finds that the lease and conveyance of County property as provided in the Base Lease and Conveyance Agreement and the purchase of ownership interests in the 2023 Facilities pursuant to the Installment Purchase and Use Agreement are outside the scope of the Procurement Code. To the extent that any one or more of the actions undertaken and contracts entered into as may be necessary to implement the plan of finance approved herein, would be within the scope of the Procurement Code, such actions and contracts are hereby exempted from compliance with the Procurement Code. To the extent necessary, if any, this exemption shall be an amendment to the Procurement Code.

Section 11. Authorization.

The Chairman of the Council, the Vice Chairman of the Council, the Clerk to Council, the County Administrator and the Finance Director of the County, are fully empowered and authorized to take such further action and to execute and deliver such additional documents as may be necessary to effect the execution and delivery of the Base Lease and Conveyance Agreement, the Installment Purchase and Use Agreement, the Trust Agreement, the Assignment Agreement and the Certificate of the County which is attached as an exhibit to the Purchase Agreement in accordance with the terms and conditions therein set forth, and the transactions contemplated hereby and thereby. Additionally, the County Administrator is hereby authorized and empowered to execute any documents necessary for the purchase of real property upon which the Project is to be located and to negotiate and execute all other contracts and documents necessary to carry out and complete the Project. The actions of such officers in executing and delivering any of such documents, in such form as the Chairman and Vice Chairman of the Council and the County Administrator, or any of them acting alone, shall approve, is hereby fully authorized. The Chairman and Vice Chairman of the Council and the County Administrator, or any of them acting alone, is fully empowered and authorized to enter into any investment agreements, repurchase agreements or forward delivery agreements or other contracts with respect to funds to be deposited in the Reserve Fund or the

Project Fund (as defined in the Trust Agreement). The County Administrator is hereby authorized and empowered to execute and deliver any documents necessary for the Corporation to purchase the Bond Insurance Policy from the Bond Insurer, if any, with respect to the New Bonds. The authorization conferred herein shall extend to and include, but not be limited to, the documents and certificates reasonably expected to be necessary for the closing of the financing transaction, including, but not limited to, deeds or other instruments of conveyance, a general certificate of the County, a certificate as to the official statement, any designation of County representatives, and such other documents required to be executed in connection with the Bond Insurance Policy with respect to the New Bonds.

Pursuant to the exemptions set forth in the County's Procurement Policy relating to professional services normally obtained on a fee basis, the Council hereby approves Burr & Forman LLP, as bond counsel, disclosure counsel and counsel to the Corporation; Piper Sandler & Co., Inc., or an affiliate related thereto, as Underwriter/Purchaser, Regions Bank, as Trustee, and Compass Municipal Advisors, LLC, as Financial Advisor; each with respect to the New Bonds.

Section 12. Federal Tax Covenant.

The County agrees and covenants that it will comply with all applicable portions of the Code as in effect or hereafter amended, including Sections 103 and 141 through 150 thereof, and the regulations of the Treasury Department thereunder, to maintain the exclusion from gross income for federal income tax purposes of the interest on the New Bonds, including without limitation the proper use and expenditure of proceeds of the New Bonds, the observation of the applicable investment limitations provided in the Code.

Section 13. Notice of Public Hearing.

The Council hereby ratifies and approves the publication of a notice of public hearing, in the form attached hereto as Exhibit A, regarding the Base Lease and Conveyance Agreement the Installment Purchase and Use Agreement and this Ordinance, such notice having been published in *The Lancaster News* on September 20, 2023, and such hearing having been held on October 9, 2023.

Section 14. Severability.

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

Section 15. Conflicting Provisions

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

Section 16. Effective Date

This ordinance is effective upon third reading.

[Signatures follow on next page]

AND IT IS SO ORDAINED

Dated this ____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Steve Harper, Chair, County Council

_____
Billy Mosteller, Secretary, County Council

ATTEST:

_____
Sherrie Simpson, Clerk to Council

First Reading:	September 11, 2023
Second Reading:	September 25, 2023
Third Reading:	October 9, 2023
Public Hearing:	October 9, 2023

Approved as to form:

_____
Virginia L. Merck-Dupont, County Attorney

EXHIBIT A

FORM OF NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the County Council of Lancaster County, South Carolina (the "County"), in County Council chambers located at 101 North Main Street, Lancaster, South Carolina 29720, at 6:00 p.m. on Monday, October 9, 2023, or at such other location within the County Administration building as proper notice on the main entrance to the said County Administration building might specify.

The purpose of the public hearing is to consider an ordinance authorizing the County to enter into a Base Lease and Conveyance Agreement (the "Base Lease") and an Installment Purchase and Use Agreement each between the County and Lancaster County Public Facilities Corporation (the "Corporation"); approving the form and terms of a Trust Agreement between the Corporation and Regions Bank, as trustee, in connection with the issuance of certain installment purchase revenue bonds (Lancaster County Project) in one or more series; consenting to the issuance of such installment purchase revenue bonds; approving the form of a preliminary official statement with respect to such installment purchase revenue bonds; providing for an exemption from the County's Procurement Code; delegating authority to the Chairman of County Council and the County Administrator, or either of them acting alone, to approve and determine certain matters; and other matters relating thereto.

Pursuant to the Ordinance referenced above, the County will lease certain real property owned by it and convey the improvements currently on or to be constructed on the property to the Corporation. The real property which is the subject of the Base Lease consists of the new Detention Center site, to be located at 1656 Pageland Highway, Lancaster, South Carolina 29720, and the new County Regional Park site, which is an 84.279 acre parcel (TMS# 0044-00-024.01) located on Roselyn Avenue, Lancaster, South Carolina 29720, which is within or adjacent to the proposed Roselyn residential development, and is located generally west of US. Highway 521 (Charlotte Highway), south of W. North Corner Road and east of Old Hickory Road. The Base Lease will be entered into in order to facilitate the issuance of the above-described bonds in an amount sufficient to finance not exceeding $76,000,000 of the costs of acquisition, construction and equipping of a new detention center and not exceeding $26,730,000 of the costs of acquisition, construction and equipping of a new regional park through the installment purchase of the described property.

At the public hearing all taxpayers and residents of the County and any other interested persons who appear will be given an opportunity to express their views for or against the Ordinance and the issuance of the Bonds.

CHAIRMAN, COUNTY COUNCIL,
LANCASTER COUNTY, SOUTH CAROLINA

EXHIBIT B

2023 Projects

Acquisition, construction and equipping of a new detention center to be located at 1656 Pageland Highway, Lancaster, South Carolina 29720 ("Detention Center"), and a new regional park to be located on an 84.279 acre parcel (TMS# 0044-00-024.01) located on Roselyn Avenue, Lancaster, South Carolina 29720, which is within or adjacent to the proposed Roselyn residential development, and is located generally west of US. Highway 521 (Charlotte Highway), south of W. North Corner Road and east of Old Hickory Road ("Regional Park"). The County anticipates the Detention Center will cost approximately $90,000,000 and the Regional Park will cost approximately $34,730,000.

EXHIBIT C

2023 Real Property

Any one or more of those pieces, parcels or lots of land excluding all improvements located or to be located thereon and being more particularly described as follows:

[Insert legal descriptions for property at 1656 Pageland Highway, Lancaster, South Carolina 29720, on which the new detention center will be located, and an 84.279 acre parcel (TMS# 0044-00-024.01) located on Roselyn Avenue, Lancaster, South Carolina 29720, which is within or adjacent to the proposed Roselyn residential development, and is located generally west of US. Highway 521 (Charlotte Highway), south of W. North Corner Road and east of Old Hickory Road, on which the new Regional Park will be located.]

EXHIBIT D

Form of Base Lease and Conveyance Agreement

EXHIBIT E

Form of Installment Purchase and Use Agreement

EXHIBIT F

Form of Trust Agreement

EXHIBIT G

Form of Purchase Agreement

EXHIBIT D

FORM OF BASE LEASE AND CONVEYANCE AGREEMENT

between

LANCASTER COUNTY, SOUTH CAROLINA
as lessor

and

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION
as lessee

Dated _____, 2023

All rights, title and interest of Lancaster County Public Facilities Corporation in this Base Lease and Conveyance Agreement have been assigned to Regions Bank, as Trustee (the "Trustee") under the Trust Agreement dated of even date herewith (the "Trust Agreement"), and are subject to the security interest of the Trustee.

INDEX

Page

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1. Definitions of Words and Terms 2
Section 1.2. Rules of Construction 3
Section 1.3. Accounting Terms 3

ARTICLE II
REPRESENTATIONS

Section 2.1. Representations by the County 3
Section 2.2. Representations by the Corporation 4

ARTICLE III

LEASE OF THE REAL PROPERTY
AND CONVEYANCE OF IMPROVEMENTS

Section 3.1. Transfer of Conveyed Improvements and Lease of the 2023 Real Property 4
Section 3.2. Purchase of the 2023 Facilities 5
Section 3.3. Assignments, Subleases and Mortgages 5
Section 3.4. Rent and Other Consideration 5
Section 3.5. Taxes and Insurance 5
Section 3.6. Granting of Easements, Rights of Way, Releases and Substitutions of Property 5

ARTICLE IV
TERMINATION

Section 4.1. Termination 6
Section 4.2. Default by the Corporation 7
Section 4.3. Quiet Enjoyment 8
Section 4.4. No Merger 8
Section 4.5. Waiver of Personal Liability 8
Section 4.6. Maintenance of Premises 8

ARTICLE V
CONTROL OF 2023 REAL PROPERTY AND
2023 FACILITIES DURING BASE LEASE TERM

Section 5.1. Control of 2023 Real Property and 2023 Facilities During Base Lease Term 8

ARTICLE VI
MISCELLANEOUS

Section 6.1. Covenants Running with the 2023 Real Property 8
Section 6.2. Binding Effect 8
Section 6.3. Severability 8
Section 6.4. Amendment, Changes and Modifications 8

Section 6.5. Execution in Counterparts 8
Section 6.6. Applicable Law 9
Section 6.7. Captions 9
Section 6.8. Notices 9
Section 6.9. Successors and Assigns 9
Section 6.10. Civic or Public Purpose 9

SIGNATURES

EXHIBIT A - Legal Description of the 2023 Real Property A-1
EXHIBIT B - Conveyed Improvements B-1
EXHIBIT C - Supplement to Base Lease and Conveyance Agreement (Additional Real Property) C-1

BASE LEASE AND CONVEYANCE AGREEMENT

THIS BASE LEASE AND CONVEYANCE AGREEMENT dated _____, 2023 (the "Base Lease") made and entered into by and between Lancaster County, South Carolina, a political subdivision of the State of South Carolina (the "County"), as lessor, and Lancaster County Public Facilities Corporation, a nonprofit corporation duly organized under the laws of the State of South Carolina (the "Corporation"), as lessee,

WITNESSETH

WHEREAS, the Corporation is a nonprofit corporation formed under the provisions of Title 33, Chapter 31 of Code of Laws of South Carolina 1976, as amended; and

WHEREAS, the County is a political subdivision of the State (as defined herein) and is authorized under the provisions of Section 4-9-30, Code of Laws of South Carolina 1976, as amended (the "Act"), to enter into this Base Lease; and

WHEREAS, the County desires to lease the 2023 Real Property and convey the Conveyed Improvements (as such terms are defined herein) to the Corporation so that the Corporation may provide funds for the acquisition, construction and equipping of the 2023 Projects (as defined herein) which, together with certain improvements (including the Conveyed Improvements), fixtures and personal property located on the 2023 Real Property, are defined herein as the "2023 Facilities" and are to be sold to the County under the terms of an Installment Purchase and Use Agreement dated of even date herewith (the "Purchase and Use Agreement") between the Corporation and the County and provide funds to the County in the form of Base Lease Rent to provide for the costs of the Ancillary Projects (as defined in the Purchase and Use Agreement); and

WHEREAS, the payments to be made under the Purchase and Use Agreement and the rights of the Corporation thereto (except for certain reserved rights as provided therein) are to be assigned to Regions Bank, as trustee (the "Trustee") pursuant to the terms of a Trust Agreement dated of even date herewith (the "Trust Agreement"), between the Corporation and the Trustee, in order to secure and provide a source of payment for the Series 2023 Bonds (as described in the Trust Agreement), the proceeds of which are to be used to defray the costs of the 2023 Projects; and

WHEREAS, the County desires to enter into this Base Lease in order to achieve the foregoing purposes;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements, including the payment of the Base Lease Rent (as hereinafter defined) herein set forth, the County and the Corporation do hereby covenant and agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1. Definitions of Words and Terms. Capitalized terms not otherwise defined herein have the meanings set forth in the Trust Agreement or the Purchase and Use Agreement, as the context would allow. In addition, the following terms shall have the meanings set forth below:

"2023 Facilities" has the meaning in the Purchase and Use Agreement.

"2023 Real Property" means the real property described in Exhibit A hereto, as the same may be amended, modified or supplemented from time to time pursuant hereto.

"Act" means Section 4-9-30, Code of Laws of South Carolina 1976, as amended.

"Additional Real Property" means any real property in addition to the 2023 Real Property that is or will become the site of Additional Facilities (as defined in the Trust Agreement) and made subject to this Base Lease.

"Base Lease" means this Base Lease and Conveyance Agreement dated of even date herewith, between the County and the Corporation, as the same may be amended, modified or supplemented from time to time.

"Base Lease Rent" means those items referred to as such in Section 3.4 of this Base Lease.

"Base Lease Term" means the term of this Base Lease which ends on the earlier of (i) December 1, ____, or (ii) the date on which the Series 2023 Bonds are discharged within the meaning of paragraph (d) under Section 3.19 of the Trust Agreement.

"Conveyed Improvements" means those certain improvements presently existing on the 2023 Real Property, as described in Exhibit B hereto, as the same may be amended to include those certain improvements existing on real property (including Additional Real Property) which becomes 2023 Real Property in the future, at the time of such amendment.

"Corporation" means Lancaster County Public Facilities Corporation, a nonprofit corporation formed under the laws of the State of South Carolina, and its successors and assigns.

"Corporation Representative" means the person or persons at the time designated to act on behalf of the Corporation in matters relating to this Base Lease, the Purchase and Use Agreement and the Trust Agreement as evidenced by a written certificate furnished to the County and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Corporation by its President or any Vice President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Corporation Representative.

"Council" means the County Council of the County, as the governing body of the County, and any successor body.

"Counsel" means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the County or the Corporation.

"County" means Lancaster County, South Carolina.

"Event of Default" means (a) with respect to the Purchase and Use Agreement, any Event of Default as defined in Section 8.1 of the Purchase and Use Agreement, and (b) with respect to the Trust Agreement, any Event of Default as defined in Section 7.1 of the Trust Agreement.

"Fiscal Year" means the 12-month period adopted by the County as its fiscal year for financial reporting purposes. Currently, such Fiscal Year for the County begins on July 1 of each year.

"Installment Payments" means those payments required to be made by the County by Sections 4.1, 4.2 and 4.4 of the Purchase and Use Agreement.

"Ordinance" means the Ordinance enacted by the Council on _____, authorizing the County's execution and delivery of this Base Lease and the Purchase and Use Agreement and consenting to the Trust Agreement.

"Purchase and Use Agreement" shall mean the Installment Purchase and Use Agreement dated of even date herewith between the Corporation and the County, as the same may be amended, modified or supplemented from time to time.

"Series 2023 Bonds" means $_____ principal amount Lancaster County Public Facilities Corporation Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023.

"State" means the State of South Carolina.

"Trust Agreement" means the Trust Agreement dated of even date herewith by and between the Corporation and the Trustee, as the same may be amended, modified or supplemented from time to time.

"Trust Estate" means the Trust Estate described in the Granting Clauses of the Trust Agreement.

"Trustee" means Regions Bank, a banking association or corporation organized and existing under the laws of the State of Alabama, and its successor or successors and any other trustee which at any time may be substituted in its place pursuant to and at the time serving as trustee under the Trust Agreement.

SECTION 1.2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons.

The table of contents hereto and the headings and captions herein are not a part of this document.

SECTION 1.3. Accounting Terms. Accounting terms used herein and not otherwise specifically defined shall have the meaning ascribed to such terms by accounting principles generally accepted in the United States as from time to time in effect.

ARTICLE II
REPRESENTATIONS

SECTION 2.1. Representations by the County. The County represents, warrants and covenants as follows:

(a) The County is a political subdivision of the State.

(b) The conveyance of title to the Conveyed Improvements and the demise and lease of the 2023 Real Property by the County to the Corporation, as provided in this Base Lease, in order to allow the Corporation to pay the Base Lease Rent and to provide for the construction of the 2023 Projects and the Ancillary Projects and the sale of the 2023 Facilities to the County pursuant to the Purchase and Use Agreement have been undertaken to enable the County to provide suitable public facilities in the County.

(c) The Council has full power and authority to enact the Ordinance and the County has full power and authority to enter into the transactions contemplated by this Base Lease and to carry out its obligations hereunder.

(d) Neither the execution and delivery of this Base Lease, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the County is now a party or by which the County is bound.

(e) The County has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer, any act or thing whereby the County's interests in the 2023 Real Property and the 2023 Facilities shall be or may be impaired, changed or encumbered in any manner whatsoever except as permitted by this Base Lease or the Purchase and Use Agreement.

(f) The County has good and marketable title and is the fee owner of the 2023 Real Property existing on the date hereof. Prior to the conveyance of the Conveyed Improvements to the Corporation pursuant to Section 3.1 hereof, any improvements on the 2023 Real Property existing on the date hereof are free and clear of all liens, encumbrances and restrictions (including, without limitation, leases) other than Permitted Encumbrances.

SECTION 2.2. Representations by the Corporation. The Corporation represents, warrants and covenants as follows:

(a) The Corporation is a nonprofit corporation duly incorporated under the laws of the State and has corporate power to enter into this Base Lease, the Purchase and Use Agreement and the Trust Agreement. By proper corporate action the officers of the Corporation have been duly authorized to execute and deliver this Base Lease, the Purchase and Use Agreement and the Trust Agreement.

(b) The execution and delivery of this Base Lease, the Purchase and Use Agreement and the Trust Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or constitute a breach of or default under the Corporation's articles of incorporation or bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement, or instrument to which the Corporation is a party or by which it is bound.

(c) To provide funds to defray the cost of the 2023 Projects and to pay the initial payment of the Base Lease Rent to defray the cost of the Ancillary Projects, the Corporation will enter into the Trust

Agreement pursuant to which it will issue the Series 2023 Bonds payable from and secured by the Installment Payments under the Purchase and Use Agreement.

ARTICLE III
LEASE OF THE REAL PROPERTY AND CONVEYANCE OF IMPROVEMENTS

SECTION 3.1. Transfer of Conveyed Improvements and Lease of the 2023 Real Property. The County hereby demises and leases to the Corporation and the Corporation hereby leases from the County the 2023 Real Property for a Base Lease term which ends on the expiration of the Base Lease Term for the rentals and other consideration set forth in Section 3.4 hereof and in accordance with the provisions of this Base Lease. The County hereby conveys the Conveyed Improvements to the Corporation and the Corporation hereby accepts such conveyance from the County. The parties hereto agree to amend Exhibit A to this Base Lease, from time to time, to specifically reference any Additional Real Property (including Additional Real Property) owned or acquired by the County which may become subject to this Base Lease, by execution of a Supplement to Base Lease and Conveyance Agreement, in substantially the form of Exhibit C attached hereto.

SECTION 3.2. Purchase of the 2023 Facilities. Pursuant to the terms of the Purchase and Use Agreement, the Corporation will acquire and construct the 2023 Projects and will convey title to the 2023 Facilities (including but not limited to the 2023 Projects) to the County, but subject to the terms of the Trust Agreement and the reservation of certain rights under this Base Lease.

SECTION 3.3. Assignments, Subleases and Mortgages. Except as contemplated by the Trust Agreement or permitted by the Purchase and Use Agreement, the Corporation may not (a) mortgage or otherwise encumber or assign its rights under this Base Lease, (b) lease, assign, transfer or otherwise dispose of its interest in the 2023 Real Property or the 2023 Facilities or any portion thereof or (c) remove, modify or alter the 2023 Real Property or the 2023 Facilities, without the consent of the County.

SECTION 3.4. Rent and Other Consideration. As and for rental hereunder and in consideration for the leasing of the 2023 Real Property to the Corporation hereunder, the Corporation agrees (a) to pay to the County (1) from the proceeds of the Series 2023 Bonds an aggregate sum of up to $_____ (representing an initial payment of the Base Lease Rent), from time to time, which the County hereby covenants will be used for the construction of all or a portion of the Ancillary Projects pursuant to the procedures set forth in Section 5.3(d) of the Trust Agreement, and (2) an annual Base Lease Rent of One Dollar per year (collectively, the amounts referenced in this clause (a) are defined herein as the "Base Lease Rent") and (b) to fulfill its obligations with respect to the 2023 Facilities as provided in the Purchase and Use Agreement. The initial payment of Base Lease Rent referenced in clause (a)(1) of the foregoing sentence and all investment earnings thereon must be used to provide tangible real or tangible personal property.

SECTION 3.5. Taxes and Insurance. The County shall pay and have responsibility for all taxes on and insurance of the 2023 Real Property and the 2023 Facilities. All insurance shall provide that the proceeds shall be payable to the County, the Corporation or the Trustee as their interests may appear.

SECTION 3.6. Granting of Easements, Rights of Way, Releases and Substitutions of Property. From time to time during the term hereof and so long as there is not an existing Event of Default under the Purchase and Use Agreement and there has not occurred an Event of Nonappropriation that has not been waived by the Corporation or the Trustee, the Corporation, at the request of the County, may execute such instruments as are necessary to provide for the granting of easements or rights of way

for road construction, utilities or in such other instances as the County certifies are not inconsistent or incompatible with the continued use of the balance of the 2023 Real Property for their intended purposes. Such instruments may include a termination of this Base Lease with respect to such portion of the 2023 Real Property as is affected thereby or an acceptance or acknowledgment of the right of the grantee of any such easement or right-of-way to continue to use such property notwithstanding the exercise of any rights or remedies afforded to the Corporation hereunder or under the Purchase and Use Agreement. Any request from the County hereunder shall be accompanied by copies of any instruments proposed to be executed together with a certificate from the County to the effect that (a) the continued use of the 2023 Real Property affected thereby will not be impaired or hampered thereby; (b) access to 2023 Real Property for ingress and egress will be adequate for the purposes for which the 2023 Real Property is intended to be used; and (c) the value of the 2023 Real Property to the County will not be significantly diminished thereby.

The Corporation may also terminate this Base Lease with respect to any portion of the 2023 Real Property deemed excess or unneeded for the continued operation of the 2023 Facilities and the related facilities for the purposes for which they were designed or are then being used, and release its interest in such portion to the County, upon receipt by the Corporation of the following: (a) a plat showing the location of the 2023 Facilities and related facilities and the portion of the 2023 Real Property deemed excess or unneeded; (b) an amendment to Exhibit A hereto revising the description of the affected parcel of property; (c) a certificate from an engineer or architect stating that the remaining 2023 Real Property will be adequate for the continued operation of the 2023 Facilities and related facilities for the purpose for which they were designed or are then being used including a certification that there will be adequate access to the remaining 2023 Real Property for ingress and egress; and (iv) a certification from the County that the portion of the 2023 Real Property being released from the provisions hereof is excess to or unneeded for the continued operation of the 2023 Facilities and related facilities for the purposes for which they were designed or are then being used.

Notwithstanding the foregoing paragraph, the Corporation may also terminate this Base Lease with respect to any portion of the 2023 Real Property and release its interest in such portion to the County, if the remaining 2023 Real Property subject to this Base Lease (and accompanying 2023 Facilities owned or deemed owned by the Corporation pursuant to the Purchase and Use Agreement) have an insured value in excess of 100% of the outstanding principal amount of the Bonds, upon receipt by the Corporation of the following: (a) a plat showing the location of the 2023 Facilities and related facilities and the portion of the 2023 Real Property to be released; (b) an amendment to Exhibit A hereto revising the description of the affected parcel of property; (c) a certificate from an engineer or architect stating that the remaining 2023 Real Property will be adequate for the continued operation of the 2023 Facilities and related facilities for the purpose for which they were designed or are then being used including a certification that there will be adequate access to the remaining 2023 Real Property for ingress and egress; and (d) a certificate from the County (which may be based on information from its insurer) as to the then-current insured values of all of the 2023 Real Property (including the 2023 Real Property to be released) and 2023 Facilities and demonstrating that the insured values of the 2023 Real Property and 2023 Facilities, after termination of such released portion of the 2023 Real Property contemplated hereby, will be in excess of 100% of the outstanding principal amount of the Bonds.

With respect to any particular item of 2023 Real Property, the County may substitute another item of 2023 Real Property under the conditions set forth in Section 5.1(c) of the Purchase and Use Agreement. The County shall not be obligated to compensate the Corporation for the removal of any property or for any conveyance or grant of an easement or right-of-way under the provisions hereof and any consideration paid in connection therewith shall be turned over to the County so long as there is not an existing Event of Default under the Purchase and Use Agreement and no Event of Nonappropriation

has occurred that has not been waived by the Trustee. The Corporation shall have no obligation or responsibility to prepare or record any instrument authorized hereunder.

ARTICLE IV
TERMINATION

SECTION 4.1. Termination.

(a) This Base Lease shall terminate upon the completion of the Base Lease Term; provided, however, in the event the County exercises the option to purchase the 2023 Facilities as provided in Section 9.1 of the Purchase and Use Agreement and satisfies the conditions thereof, then this Base Lease shall be considered terminated through merger of the leasehold interest with the interest of the County and, provided further, that upon any partition of the 2023 Facilities pursuant to Section 2.4 of the Purchase and Use Agreement, this Base Lease shall be terminated with respect to that portion of the 2023 Real Property (the "County Real Property") relating to any County Facilities (as defined in the Purchase and Use Agreement) and the County Real Property shall no longer be subject to this Base Lease and the Corporation shall have no interest therein.

(b) The Corporation agrees, upon any termination or completion of the Base Lease Term or the exercise by the County of its option to purchase as provided in Section 9.1 of the Purchase and Use Agreement, to quit and surrender the 2023 Real Property and that all title and interest in the 2023 Facilities and the 2023 Real Property shall vest in the County free and clear of the encumbrance of this Base Lease and any other encumbrances except Permitted Encumbrances. The Corporation agrees, upon any partition of the 2023 Facilities provided for in Section 2.4 of the Purchase and Use Agreement, to quit and surrender the County Real Property and that all title and interest in the County Facilities and the County Real Property shall vest in the County free and clear of the encumbrance of this Base Lease and any other encumbrances except Permitted Encumbrances.

If an Event of Default under the Purchase and Use Agreement occurs or if the County fails to continue the Purchase and Use Agreement for the entire term thereof for any reason, the Corporation shall have the right to possession of the portion of the 2023 Real Property (the "Corporation Real Property") relating to the Corporation Facilities (as defined in the Purchase and Use Agreement) as the result of a partition as provided for in Section 2.4 of the Purchase and Use Agreement for the remainder of the Base Lease Term and shall have the right to sublease the Corporation Facilities or transfer its leasehold interest in the Corporation Real Property and in this Base Lease upon whatever terms and conditions it deems prudent; provided that the Corporation Facilities shall always be operated for a civic or public purpose and in compliance with all applicable governmental rules, regulations and orders. Both parties acknowledge that the County has an insurable interest in the Corporation Facilities but not in any additions, alterations, furnishings and fixtures provided in connection with the use of the Corporation Facilities by the Corporation or any person to whom the Corporation enters into a lease, license or other such agreement providing for occupancy temporary or long-term. Therefore, the County's obligation to provide insurance and pay taxes under the provisions of Section 3.5 hereof shall be limited to the 2023 Real Property and the 2023 Facilities as they existed as of the Partition Date (as defined in the Purchase and Use Agreement) and the Corporation shall provide the County with adequate public liability and comprehensive risk insurance covering any use of the Corporation Facilities, and shall pay all taxes relating to any additions, alterations, furnishings and fixtures located therein for the remainder of the Base Lease Term and will furnish the County with evidence thereof. In the event that the Corporation shall receive a payment for the transfer of its leasehold interest or total rental payments for subleasing that are, after the payment of the Corporation's expenses in connection therewith, including fees and expenses of the Trustee, in excess of the principal amount of the Outstanding Series 2023 Bonds at the time of termination or default and the interest and premium, if any, due and to become due thereon (with amounts

so received to be credited first to such interest and then to principal), then such excess shall be paid to the County by the Corporation, its assigns or its lessee.

SECTION 4.2. Default by the Corporation. The County shall not have the right to exclude the Corporation from the 2023 Real Property or the 2023 Facilities or to take possession of the 2023 Real Property or the 2023 Facilities (except pursuant to the Purchase and Use Agreement) or to terminate this Base Lease prior to the termination of the Base Lease Term notwithstanding any default by the Corporation hereunder; except that if, upon exercise of the option to purchase the Corporation's entire interest in the 2023 Facilities granted to the County in Article IX of the Purchase and Use Agreement and after the payment of the purchase price specified therein and the other sums payable under the Purchase and Use Agreement, the Corporation fails to convey its interest in the 2023 Facilities to the County pursuant to said option, then the County shall have the right to terminate this Base Lease, such termination to be effective 30 days after delivery of written notice of such termination to the Corporation. However, in the event of any default by the Corporation hereunder, the County may maintain an action, if permitted in equity, for specific performance.

SECTION 4.3. Quiet Enjoyment. Subject to the Purchase and Use Agreement, the Corporation at all times during the term of this Base Lease shall peaceably and quietly have and enjoy the 2023 Real Property and the 2023 Facilities.

SECTION 4.4. No Merger. Except as expressly provided herein, no union of the interests of the County and the Corporation herein or in the Purchase and Use Agreement shall result in a merger of this Base Lease and the title to the 2023 Facilities.

SECTION 4.5. Waiver of Personal Liability. All liabilities under this Base Lease on the part of the Corporation are fully corporate liabilities of the Corporation as a corporation, and, to the extent permitted by law, the County hereby releases each and every incorporator, member, director and officer of the Corporation of and from any personal or individual liability under this Base Lease, including without limitation the obligation to make payment of the Base Lease Rent. No incorporator, member, director or officer of the Corporation shall at any time or under any circumstances be individually or personally liable under this Base Lease for anything done or omitted to be done by the Corporation hereunder.

SECTION 4.6. Maintenance of Premises. Subject to the provisions of the Purchase and Use Agreement, the Corporation covenants that it will maintain or cause to be maintained the 2023 Real Property, and will not cause, permit or suffer to be caused or permitted waste thereto. At the conclusion of the term hereof, the 2023 Real Property shall be returned to the County, together with the 2023 Facilities and any other improvements thereto, in substantially the condition thereof as of the date hereof or the date the Additional Real Property is added hereto, subject to normal wear and tear. Except as contemplated under the Purchase and Use Agreement, the Corporation shall not make or consent to any other improvements, modifications or alterations to the 2023 Real Property or the 2023 Facilities or any portion thereof, or remove any part thereof without the prior written consent of the County. Prior to an Event of Nonappropriation that has not been waived, in the event of any damage, destruction or condemnation of any of the 2023 Real Property, the provisions of Article VII of the Purchase and Use Agreement shall be deemed to apply with respect to the 2023 Real Property in like manner as provided therein with respect to 2023 Facilities, and the net proceeds from any insurance policies, performance bonds or condemnation awards shall be applied in the same manner for the benefit of 2023 Real Property as are Net Proceeds under Section 7.2 of the Purchase and Use Agreement. After an Event of Nonappropriation that has not been waived, in the event of any damage, destruction or condemnation of any of the 2023 Real Property, the proceeds of any insurance or condemnation awards allocable to the Corporation's interest in the 2023 Real Property shall be applied as directed by the Trustee either in the manner provided in Section 7.2 of

the Purchase and Use Agreement or to the retirement of any Series 2023 Bonds and the balance, if any, remaining thereafter to such use as the County may direct.

ARTICLE V
CONTROL OF 2023 REAL PROPERTY AND 2023 FACILITIES DURING BASE LEASE TERM

SECTION 5.1. Control of 2023 Real Property and 2023 Facilities During Base Lease Term. Subject to the Purchase and Use Agreement term and Section 4.6 hereof, during the Base Lease Term, the Corporation shall have complete control over the 2023 Real Property and the 2023 Facilities and their operation.

ARTICLE VI
MISCELLANEOUS

SECTION 6.1. Covenants Running with the 2023 Real Property. All covenants, promises, conditions and obligations herein contained or implied by law are covenants running with the 2023 Real Property and shall attach and bind and inure to the benefit of the County and the Corporation and their respective heirs, legal representatives, successors and assigns, except as otherwise provided herein.

SECTION 6.2. Binding Effect. This Base Lease shall inure to the benefit of and shall be binding upon the County, the Corporation and their respective successors and assigns.

SECTION 6.3. Severability. In the event any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

SECTION 6.4. Amendment, Changes and Modifications. This Base Lease may not be effectively amended, changed, modified, altered or terminated without the prior written consent, if and to the extent required by Article XI of the Trust Agreement, of the Trustee, other than (a) as provided in Section 3.1 hereof, to reference any Additional Real Property (including Additional Real Property) or (b) as provided in Section 3.6 hereof in connection with the granting of easements, releases, substitutions and additions of property; provided, that the Trustee shall be entitled to rely without independent investigation upon the certificates, opinions and other documents delivered to it pursuant to such sections.

SECTION 6.5. Execution in Counterparts. This Base Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

SECTION 6.6. Applicable Law. This Base Lease shall be governed by and construed in accordance with the laws of the State.

SECTION 6.7. Captions. The Section and Article headings herein are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions hereof.

SECTION 6.8. Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Base Lease to be given to or filed with the County, the Corporation or the Trustee if the same is given or filed in the manner and at the addresses specified in the Trust Agreement.

SECTION 6.9. Successors and Assigns. All covenants, promises and agreements contained in this Base Lease by or on behalf of or for the benefit of the County or the Corporation, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 6.10. Civic or Public Purpose. Notwithstanding anything in this Base Lease to the contrary, during the term of this Base Lease, neither the Corporation nor any assignee of the Corporation's interest hereunder nor any sublessee of the Corporation shall operate the 2023 Facilities for any purpose which is not a civic or public purpose or which is not in compliance with all applicable governmental rules, regulations and orders.

[Signature pages follow]

WITNESS the due execution of this Base Lease effective as of the date first above written.

LESSOR:

(SEAL)

LANCASTER COUNTY, SOUTH CAROLINA

WITNESSES:

_____

By:_____
Chairman, County Council

_____

Attest:_____
Clerk, County Council

LESSEE:

(SEAL)

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

WITNESSES:

_____

By:_____
President

_____

Attest:_____
Secretary/Treasurer

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

PROBATE

Personally appeared before me the undersigned witness who on oath says, that (s)he saw the within named Lancaster County Public Facilities Corporation, by its duly authorized officer, sign, seal and as its act and deed deliver the within Base Lease and Conveyance Agreement, and that (s)he, together with the other witness whose signature appears above, witnessed the execution thereof.

_____
Witness

SWORN TO AND SUBSCRIBED BEFORE ME
this ___ day of _____, 2023.

_____
Printed Name: _____
Notary Public for South Carolina
My Commission Expires:_____

STATE OF SOUTH CAROLINA)
) PROBATE
COUNTY OF LANCASTER)

PERSONALLY appeared before me the undersigned witness, who, upon first being duly sworn, deposes and says: that (s)he saw Lancaster County, South Carolina by its duly authorized officers, sign the foregoing Base Lease and Conveyance Agreement, and that (s)he, with the other subscribing witness, witnessed the execution thereof.

_____
Witness

SWORN TO AND SUBSCRIBED BEFORE ME
this ___ day of _____, 2023.

_____
Printed Name: _____
Notary Public for South Carolina
My Commission Expires:_____

EXHIBIT A

LEGAL DESCRIPTION OF THE 2023 REAL PROPERTY

All those pieces, parcels or lots of land excluding all improvements located or to be located thereon and being more particularly described as follows:

[To be provided]

EXHIBIT B

CONVEYED IMPROVEMENTS

All existing improvements located on the 2023 Real Property.

EXHIBIT C

FORM OF SUPPLEMENT TO BASE LEASE AND CONVEYANCE AGREEMENT (ADDITIONAL REAL PROPERTY)

THIS SUPPLEMENT TO BASE LEASE AND CONVEYANCE AGREEMENT (this "Supplement") dated _____, 200___, by and between the Lancaster County, South Carolina, a political subdivision duly existing under the laws of the State of South Carolina, as lessor (the "County"), and Lancaster County Public Facilities Corporation, a South Carolina nonprofit corporation duly organized and existing under the laws of the State of South Carolina, as lessee (the "Corporation").

WITNESSETH

WHEREAS, the County and the Corporation have entered into that certain Base Lease and Conveyance Agreement dated _____, 2023 (the "Base Lease"), and pursuant to Section 3.1(a) thereof, enter into this Supplement for the purposes set forth herein (with all capitalized terms used in this Supplement having the meanings set forth in the Base Lease).

NOW, THEREFORE, for and inconsideration of the mutual promises and covenants herein contained, the parties hereto hereby agree as follows:

1. Addition of Additional Real Property. The Base Lease is hereby amended to delete Exhibit A attached thereto and replace it in its entirety with Exhibit A-1 attached hereto.

Except as amended herein, the Base Lease shall remain in full force and effect.

WITNESSES:

CORPORATION:

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

_____ By: _____
_____ Its: _____

_____ By: _____
_____ Its: _____

COUNTY:

LANCASTER COUNTY, SOUTH CAROLINA

_____ By: _____
_____ Its: _____

_____ By: _____
_____ Its: _____

EXHIBIT E

FORM OF INSTALLMENT PURCHASE AND USE AGREEMENT

between

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION
as Seller

and

LANCASTER COUNTY, SOUTH CAROLINA
as Buyer

_____

$_____ Installment Purchase Revenue Bonds
(Lancaster County Project) Series 2023

_____

Dated _____, 2023

All rights, title and interest of Lancaster County Public Facilities Corporation in this Installment Purchase and Use Agreement (with certain exceptions) have been assigned to Regions Bank, as Trustee (the "Trustee") under the Trust Agreement dated of even date herewith (the "Trust Agreement"), and are subject to the security interest of the Trustee.

INDEX

Page

Recitals 1

ARTICLE I
DEFINITIONS

SECTION 1.1. Definitions 2
SECTION 1.2. Terms Defined in the Trust Agreement 5
SECTION 1.3. County Representations, Warranties and Covenants 5
SECTION 1.4. Corporation Representations, Warranties and Covenants 7

ARTICLE II
INSTALLMENT SALE OF 2023 FACILITIES, USE OF 2023 REAL PROPERTY AND 2023 FACILITIES AND TERM HEREOF

SECTION 2.1. Installment Sale of 2023 Facilities; Use of 2023 Real Property and 2023 Facilities; Term 9
SECTION 2.2. Termination 9
SECTION 2.3. Holdover Terms 10
SECTION 2.4. Surrender of Possession Upon Termination; Partition of Undivided Interests 10

ARTICLE III
THE 2023 PROJECTS; FINANCING

SECTION 3.1. Purchase and Installation or Construction of the 2023 Projects 11
SECTION 3.2. Administration of Acquisition and Construction Contracts. 12
SECTION 3.3. Notices and Permits 12
SECTION 3.4. Disbursements from the Project Fund 12
SECTION 3.5. Defaults Under Acquisition and Construction Contracts 12
SECTION 3.6. Worker's Compensation Insurance 13
SECTION 3.7. Contractor's Performance and Payment Bonds 13
SECTION 3.8. Contractor's General Public Liability and Property Damage Insurance 13

ARTICLE IV
INSTALLMENT PAYMENTS; ASSIGNMENT TO TRUSTEE

SECTION 4.1. Installment Payments 13
SECTION 4.2. Installment Payments Not Subject to Reduction, Offset or Other Credits 15
SECTION 4.3. Prepayment of Installment Payments 15
SECTION 4.4. Administrative Expenses 16
SECTION 4.5. Assignment of Purchase and Use Agreement, Manner of Payment. 16
SECTION 4.6. Limited and Special Obligation of County 16
SECTION 4.7. Event of Nonappropriation 17

ARTICLE V
COVENANTS OF THE COUNTY

SECTION 5.1. Maintenance and Operation of 2023 Facilities; Transfers 19
SECTION 5.2. Liens on 2023 Facilities 19

SECTION 5.3. Representations and Covenants Regarding Tax Exempt Status of Series 2023 Bonds 19
SECTION 5.4. Reports and Opinions; Inspections 20
SECTION 5.5. Immunity of Corporation and Trustee 20
SECTION 5.6. Compliance with Laws 21
SECTION 5.7. [Reserved] 21
SECTION 5.8. Filing of Budget with Trustee 21
SECTION 5.9. Alterations of the 2023 Facilities; Removals 21
SECTION 5.10. Continuing Disclosure 21

ARTICLE VI
INSURANCE

SECTION 6.1. Types of Insurance and Coverage Requirements 21
SECTION 6.2. Self-Insurance Approval 22

ARTICLE VII
DAMAGE, DESTRUCTION AND
CONDEMNATION; USE OF NET PROCEEDS

SECTION 7.1. Damage, Destruction and Condemnation. 22
SECTION 7.2. Obligation to Repair or Replace the 2023 Facilities and the Ancillary Projects 23
SECTION 7.3. Discharge of Obligation to Repair or Replace the 2023 Facilities and the Ancillary Projects 23
SECTION 7.4. Cooperation of the Parties. 24

ARTICLE VIII
DEFAULTS AND REMEDIES

SECTION 8.1. Events of Default. 24
SECTION 8.2. Remedies 25
SECTION 8.3. Limitations on Remedies 26
SECTION 8.4. Cumulative Rights 26
SECTION 8.5. Discontinuance of Proceedings 26

ARTICLE IX
CONVEYANCE OF THE 2023 FACILITIES

SECTION 9.1. Optional Purchase of the 2023 Facilities 26
SECTION 9.2. Manner of Conveyance 27

ARTICLE X
MISCELLANEOUS

SECTION 10.1. Limitation of Liability of the Corporation and the County 28
SECTION 10.2. Surrender of Possession Upon Termination 28
SECTION 10.3. Notices 28
SECTION 10.4. Assignments. 29
SECTION 10.5. Severability 29
SECTION 10.6. Amendments 29
SECTION 10.7. Successors and Assigns 30

SECTION 10.8. Applicable Law 30
SECTION 10.9. Recordation 30

ARTICLE XI
PROVISIONS RELATED TO INSURANCE POLICY

SECTION 11.1. Covenants 33

SIGNATURES

EXHIBIT A Description of the 2023 Projects and the Ancillary Projects A-1
EXHIBIT B Legal Description of the 2023 Real Property B-1
EXHIBIT B-1 Conveyed Improvements B-1-1
EXHIBIT C Permitted Encumbrances C-1
EXHIBIT D Base Payments Schedule D-1
EXHIBIT E Valuation of 2023 Facilities E-1

INSTALLMENT PURCHASE AND USE AGREEMENT

This INSTALLMENT PURCHASE AND USE AGREEMENT dated _____, 2023 (the "Purchase and Use Agreement"), is made and entered into by and between Lancaster County Public Facilities Corporation (together with its successors and assigns, the "Corporation"), a nonprofit corporation formed under the laws of the State of South Carolina (the "State"), as seller, and Lancaster County, South Carolina (the "County"), a political subdivision organized under the laws of the State, as buyer.

WITNESSETH

WHEREAS, the Corporation is a nonprofit corporation formed under the provisions of Title 33, Chapter 31, Code of Laws of South Carolina 1976, as amended; and

WHEREAS, the County is a political subdivision of the State and is authorized under the provisions of Section 4-9-30, Code of Laws of South Carolina 1976, as amended (the "Act"), to enter into this Purchase and Use Agreement; and

WHEREAS, the Corporation and the County have entered into a Base Lease and Conveyance Agreement dated of even date herewith (the "Base Lease") pursuant to which the County is leasing the 2023 Real Property and conveying the Conveyed Improvements (as such terms are defined in the Base Lease), to the Corporation so that the Corporation may provide for (i) the acquisition, construction, renovation and equipping from the proceeds of the Series 2023 Bonds of certain public facilities (the "2023 Projects"); and (ii) the payment to the County of the Base Lease Rent (as defined in the Base Lease) which will provide for the acquisition and construction of all or a portion of certain new real property and facilities which are not subject to the Base Lease or this Purchase and Use Agreement (the "Ancillary Projects", as more particularly defined herein); and

WHEREAS, in order to provide funds to defray costs of the 2023 Projects and the payment of the Base Lease Rent, the Corporation will provide for the issuance of $_____ of its Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023, dated _____, 2023 (the "Series 2023 Bonds") under and by the terms of a Trust Agreement dated of even date herewith (the "Trust Agreement") by and between the Corporation and Regions Bank, as trustee (the "Trustee"); and

WHEREAS, the County has agreed to make certain payments (the "Installment Payments") for the acquisition of the 2023 Facilities (as defined herein) and, pending such acquisition thereof, shall be entitled to the use and occupancy of the 2023 Real Property and the 2023 Facilities and certain other matters; and

WHEREAS, the rights to receive Installment Payments are being assigned by the Corporation to the Trustee under the Trust Agreement as security and the source of payment for the Series 2023 Bonds;

NOW, THEREFORE, for and in consideration of the undertaking of the Corporation to acquire, improve, construct and equip the 2023 Projects, to pay the initial payment of the Base Lease Rent to the County for the costs of the Ancillary Projects, the undertaking of the County to pay the Installment Payments hereunder, the mutual covenants and agreements of the parties hereto, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Corporation and the County, intending to be legally bound, do hereby agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1. Definitions. Capitalized terms not otherwise defined herein shall have the meanings provided therefor in the Trust Agreement or as set forth below.

"2023 Facilities" means the Conveyed Improvements and other improvements constructed on the 2023 Real Property and the 2023 Projects, including fixtures and any future additions, modifications and substitutions to any facilities thereon and any personal property financed with the proceeds of the Series 2023 Bonds. The 2023 Facilities shall also mean Additional Facilities, if any, funded with the proceeds of Additional Bonds, but does not include Additional Ancillary Projects.

"2023 Projects" means the acquisition, construction, renovation and equipping of new or existing public facilities as described on Exhibit A hereof (including reimbursement thereof to the County), as the same may be amended from time to time.

"2023 Real Property" means the respective parcels of real property, situated in the County and described in Exhibit B hereof, as the same may be amended, modified or supplemented from time to time pursuant hereto, and upon which the 2023 Facilities are located.

"2020 Sales and Use Tax" means a one percent sales and use tax imposed by the County for the purpose of constructing, acquiring and equipping a new detention center at a cost not to exceed $30,133,800, as approved in a referendum held in November, 2020.

"Acquisition and Construction Contracts" means any acquisition or construction contract between the County, on behalf of the Corporation, and any contractor or other person or between any contractor or subcontractor and other person (under which contract the County has rights thereunder) with respect to any of the 2023 Projects to be financed with Bond Proceeds.

"Additional Ancillary Projects" means real property or improvements acquired, developed and constructed with proceeds of Additional Bonds, but not made subject to the Base Lease or this Purchase and Use Agreement.

"Additional Facilities" means any public facilities of the County in addition to the 2023 Facilities proposed to be acquired, improved, renovated or constructed by the Corporation with the proceeds of Additional Bonds and made subject to this Purchase and Use Agreement.

"Additional Payments" means that portion of the Installment Payments specified in Sections 4.1, 4.2 and 4.4 hereof as Additional Payments.

"Additional Real Property" means any real property in addition to the 2023 Real Property that is or will become the site of Additional Facilities.

"Ancillary Projects" means the acquisition and construction of all or a portion of certain new real property and facilities described on Exhibit A hereof or any other real property or facility or lawful purpose which is identified in writing by the County to the Trustee (provided that the Trustee shall be entitled to receive and conclusively rely upon an opinion of Bond Counsel stating that the use of the Base Lease Rent for the payment of such other facility or lawful purpose will not adversely affect the tax-exempt status of the Series 2023 Bonds), which are not subject to the Base Lease or this Purchase and Use Agreement.

"Available Sources" means any legally available source being lawfully appropriated by the Council, including but not limited to net collections from the 2020 Sales and Use Tax, general fund monies and proceeds of general obligation debt.

“Base Lease” means the Base Lease and Conveyance Agreement dated of even date herewith, between the County and the Corporation, as the same may be amended, modified or supplemented from time to time.

“Base Payments” means that portion of the Installment Payments specified in Section 4.1 hereof as Base Payments.

“Bond Fund” means the fund of such name established pursuant to Section 5.5 of the Trust Agreement.

“Bond Proceeds” means the gross proceeds received from the issuance and sale of the Series 2023 Bonds.

“Completion Date” means the date on which the Corporation and the County provide the final requisition to the Trustee pursuant to Section 3.4(b) hereof.

“Conveyed Improvements” means those certain improvements presently existing on the 2023 Real Property, as more particularly described in Exhibit B-1 hereof, as the same may be amended to include those certain improvements existing on real property (including Additional Real Property) which becomes 2023 Real Property in the future, at the time of such amendment.

“Corporation Facilities” means that portion of the 2023 Facilities allocated to the Corporation as the result of a partition under the provisions of Section 2.4 hereof.

“Council” means the County Council of the County, as the governing body of the County, and any successor body.

“County Facilities” means that portion of the 2023 Facilities allocated to the County as the result of a partition under the provisions of Section 2.4 hereof.

“Environmental Laws” means all federal, state and local laws, rules, regulations, ordinances, programs, permits, guidances, orders and consent decrees relating to health, safety and environmental matters, including, but not limited to, the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, the Toxic Substances Control Act, as amended, the Clean Water Act, as amended, the Clean Air Act, as amended, the Superfund Amendments and Reauthorization Act of 1986, as amended, state and federal superfund and environmental cleanup programs and laws and U.S. Department of Transportation regulations.

“Event of Default” means the events set forth in Section 8.1 of this Purchase and Use Agreement.

“Event of Nonappropriation” means the County's failure, for any reason, to specifically budget and appropriate moneys that may be lawfully used to pay, or enact an ordinance authorizing the issuance of general obligation bonds for the purpose of paying, all Installment Payments due under this Purchase and Use Agreement, by September 15 of the then current Fiscal Year or the County shall have provided written notice of its intention to do the same by June 30 of the previous Fiscal Year. The existence or nonexistence of an Event of Nonappropriation shall be deemed to occur on (a) September 15 of a year in

which no such budget or ordinance shall have been adopted or enacted (as applicable), or (b) any earlier date on which the County gives official, specific written notice to the Corporation and the Trustee that the County will not appropriate funds that may be lawfully used in the next succeeding Fiscal Year for payment of Installment Payments; provided, however, that an Event of Nonappropriation may be waived as provided for in Section 4.7 herein.

"Facilities Component" means an entire building or other facility including the main building or buildings and any related auxiliary buildings comprising the 2023 Facilities together with the portion of the 2023 Real Property on which such building or other facility is located.

"Fiscal Year" means the fiscal year of the County, currently beginning on each July 1 and ending on the succeeding June 30.

"Force Majeure" means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies or terrorism; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials of any civil or military authority; insurrection; riots; landslides; earthquakes; flood; fire; storms; droughts; explosion; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not within the control of the party seeking the benefit of force majeure and not due to its own negligence.

"Hazardous Material" means and includes any pollutant, contaminant, or hazardous, toxic or dangerous waste, substance or material (including without limitation petroleum products, asbestos-containing materials and lead), the generation, handling, storage, transportation, disposal, treatment, release, discharge or emission of which is subject to any Environmental Law.

"Installment Payments" means the payments to be paid by the County pursuant to Sections 4.1, 4.2 and 4.4 hereof including Base Payments and Additional Payments.

"Net Proceeds" when used with respect to any proceeds from policies of insurance required hereby or any condemnation award, or any proceeds resulting from any liquidation of any part of the 2023 Facilities, or any proceeds resulting from any default under, or recovery under performance and payment bonds related to, any Acquisition or Construction Contract relating to the 2023 Projects, means the amount remaining after deducting from the gross proceeds thereof all expenses, including, without limitation, reasonable attorney's fees and costs, incurred in the collection of such proceeds or award.

"Partition Consultant" means a person, firm or corporation, who or which is experienced in public finance and in the valuation of public facilities and is not a full-time employee of the County or the Corporation.

"Partition Date" shall have the meaning given such term in Section 2.4 hereof.

"Permitted Encumbrances" means, as of any particular time, (i) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pursuant to the provisions of Sections 4.1 and 4.2, respectively, of this Purchase and Use Agreement; (ii) the Security Documents; (iii) utility, access and other easements and rights-of-way, restrictions and exceptions which does not interfere with or impair the use of the 2023 Real Property or the 2023 Facilities, including rights or privileges in the nature of easements; (iv) any financing statements filed to perfect security interests pursuant to this Purchase and Use Agreement or the Trust Agreement; and (v) the matters described on Exhibit C hereto.

"Project Fund" means the fund of such name established pursuant to Section 5.2 of the Trust Agreement.

"Purchase and Use Agreement" means this Installment Purchase and Use Agreement dated _____, 2023, between the Corporation and the County, as the same may be amended, modified or supplemented from time to time.

"Purchase Option Price" means an amount equal to the amount required to defease or otherwise discharge the Series 2023 Bonds under the Trust Agreement plus the amount of any Additional Payments which are due or accrued hereunder at the time which any purchase option hereunder is exercised.

"Purchase Price" means the sum of all Base Payments to be made hereunder which Purchase Price may be recalculated in the event of any prepayment of Base Payments provided for in Section 9.1 hereof.

"Security Documents" means this Purchase and Use Agreement, the Base Lease, the Trust Agreement, financing statements, if any, and any other instruments or documents providing security for the Holders of the Series 2023 Bonds.

"Series 2023 Bonds" means any or all of the $_____ of the Corporation's Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023, dated of even date herewith, authorized by and secured under the Trust Agreement.

"State" means the State of South Carolina.

"Trust Agreement" means the Trust Agreement dated of even date herewith, between the Corporation and the Trustee, as the same may be amended, modified or supplemented from time to time.

"Waiver Period" means the period of time commencing on the date an Event of Nonappropriation is deemed to occur and ending on and including the date on the earlier of (i) the next following December 1 or (ii) the date on which the applicable Reserve Sub-Account (if any) of the Reserve Account becomes fully depleted by the Trustee pursuant to the provisions of a Supplemental Agreement (as defined in the Trust Agreement); provided, however, that a Reserve Sub-Account is deemed to be fully depleted when insufficient funds remain therein to make the payments required to be made to the Holders of the applicable Series of Bonds on the subsequent Bond Payment Date).

SECTION 1.2. Terms Defined in the Trust Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Trust Agreement unless the context clearly indicates to the contrary.

SECTION 1.3. County Representations, Warranties and Covenants. The County makes the following representations, warranties and covenants:

(a) The County is a political subdivision of the State and has full power and legal right to enter into this Purchase and Use Agreement and the Base Lease and to perform its obligations hereunder and thereunder. The County's actions in making and performing its obligations under this Purchase and Use Agreement and the Base Lease have been duly authorized by all necessary governmental action and will not violate or conflict with any law or governmental rule or regulation, or any mortgage, agreement, instrument or other document by which the County or its properties are bound.

(b) The County is a "political subdivision" within the meaning of Section 103(c)(1) of the Code.

(c) The County will take such action as is necessary to assure that the 2023 Projects are completed, furnished and occupied by the County. In the event the amounts available from the proceeds from the Series 2023 Bonds appear to be insufficient for such purpose, the County will use its best efforts to take one or more of the following steps: (i) cooperate with the Corporation to make such modifications or changes in the 2023 Projects as will allow the cost thereof to be funded within the amount available from such Bond Proceeds; (ii) make arrangements with the Corporation for the sale of Additional Bonds; or (iii) provide for the payment of such costs from other sources legally available to the County.

(d) The County will take such action as is necessary to ensure that the proceeds of the Series 2023 Bonds are applied as set forth in the Trust Agreement.

(e) Except as provided in the last paragraph under Section 2.1 hereof, no portion of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects will be used in the trade or business of a person who is not a "political subdivision" within the meaning of Section 103(c)(1) of the Code, without the written approval of Bond Counsel.

(f) The amounts, if any, spent by the County from its own funds to pay costs of the acquisition, renovation, improvement and construction of the 2023 Projects or the Ancillary Projects for which it intends to reimburse itself from Bond Proceeds were not expended more than 60 days prior to the date of the enactment by the Council of an ordinance authorizing the financing of the 2023 Projects and the Ancillary Projects, and expressing the intent to enter into this Purchase and Use Agreement, except with respect to certain preliminary expenditures for architectural, engineering, surveying, soil testing and similar costs. No site preparation or similar costs incident to the commencement of construction were incurred prior to 60 days prior to the date of enactment of an ordinance by the Council relating to the issuance of the Series 2023 Bonds.

(h) Except as disclosed in the Official Statement for the Series 2023 Bonds, there are no proceedings pending or, to the knowledge of the County, threatened against or affecting the County, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, operations, prospects or condition (financial or otherwise) of the County, or the corporate existence or powers or ability of the County to enter into and perform its obligations under this Purchase and Use Agreement or the Base Lease.

(h) The execution and delivery of this Purchase and Use Agreement and the Base Lease (collectively, the "County Agreements"), and the consummation of the transactions provided for herein and therein, and compliance by the County with the provisions of the County Agreements:

(i) are within the governmental powers and have been duly and validly authorized by all necessary governmental and other action on the part of the County; and

(ii) do not and will not conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, loan agreement or other agreement or instrument, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the County (other than this Purchase and Use Agreement) or any governmental restriction to which the County is a party or by which the County, its properties or operations may be bound or with the giving of notice or the passage of time or both would constitute such a breach or default or result in the creation or imposition of any such lien, charge or encumbrance, which breach, default, lien, charge or encumbrance could reasonably be expected to materially and adversely affect the validity or the enforceability of the County Agreements or the County's ability to perform fully its obligations under the County Agreements; nor will such action result, in any material respect, in any violation of any laws, ordinances, governmental rules or

regulations or court or other governmental orders to which the County, its properties or operations are subject.

(i) No event has occurred and no condition exists that constitutes an Event of Default or which, upon the execution and delivery of this Purchase and Use Agreement, and/or the passage of time or giving of notice or both, would constitute an Event of Default. The County is not in violation in any material respect, and has not received notice of any claimed material violation (except such violations as do not, and shall not, have any material adverse effect on the transactions herein contemplated and the compliance by the County with the terms hereof, or the Security Documents), of any terms of any court order, statute, regulation, ordinance, agreement, or other instrument to which it is a party or by which it, its properties or its operations may be bound.

(j) This Purchase and Use Agreement is a legal, valid and binding obligation and agreement of the County, enforceable against the County in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity; anything herein to the contrary notwithstanding, this Purchase and Use Agreement is subject in its entirety to the right of the County to terminate this Purchase and Use Agreement and all the terms and provisions hereof by failing to budget and appropriate moneys specifically to pay Installment Payments, as provided in Sections 2.2, 4.6 and 4.7 hereof.

(k) The use and the operation of the 2023 Real Property and the 2023 Facilities in the manner contemplated will not conflict in any material respect with any zoning, water or air pollution or other ordinance, order, law, rule, or regulation applicable to the 2023 Real Property and the 2023 Facilities including, without limitation, Environmental Laws. The County has caused or will cause the 2023 Projects to be designed in accordance with all applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, planning, building, safety and environmental quality. The County will operate or will cause the 2023 Real Property and the 2023 Facilities to be operated in compliance with the requirements of all such laws, ordinances, rules and regulations, including, without limitation, Environmental Laws. The County further covenants and agrees to comply in all material respects with and materially conform to, or use its reasonable efforts to cause other persons whose obligations it is to so comply by contract or pursuant to law to comply in all material respects with and materially conform to, all present and future laws, statutes, codes, ordinances, orders, judgments, decrees, injunctions, rules, regulations and every applicable governmental authority, including Environmental Laws applicable to the 2023 Real Property and the 2023 Facilities, and all covenants, restrictions and conditions now or hereafter of record which may be applicable to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of the 2023 Real Property and the 2023 Facilities, including building and zoning codes and ordinances (collectively, the "Legal Requirements"), provided that the County shall not be in default hereunder so long as the County promptly after receiving an actual written notice of any noncompliance, files a copy thereof with the Trustee and the County commences and uses its diligent efforts to cause compliance with such Legal Requirements, as long as the failure to comply and conform does not subject the 2023 Real Property or the 2023 Facilities to any material danger of being forfeited or lost as a result thereof. The County possesses or will possess, and the County hereby agrees to maintain and obtain in the future, all necessary licenses and permits, or rights thereto, to operate the 2023 Facilities as proposed to be operated, and all such licenses, permits or other approvals required in connection with the operation of the 2023 Facilities have been duly obtained and are in full force and effect except for any such licenses, permits or other approvals that are not yet required and that will be duly obtained not later than the time required or the failure to obtain which will not materially and adversely affect the operation of the 2023 Facilities. The County covenants and agrees to do all things necessary to preserve and keep in full force and effect its franchises, rights, powers and privileges as the same relate to the 2023 Facilities.

(l) The County has approved the creation, existence, governance, purposes and activities of the Corporation and the issuance by the Corporation of the Series 2023 Bonds.

(m) The County has not terminated any lease, lease-purchase agreement or installment purchase agreement by nonappropriation.

(n) The officer of the County at any time charged with the responsibility for formulating budget proposals shall include in the budget proposals for review and consideration by the Council in any Fiscal Year in which this Purchase and Use Agreement shall be in effect, provision for all Installment Payments required for such Fiscal Year under this Purchase and Use Agreement.

(o) To its knowledge, Hazardous Materials have not at any time been generated, used, treated, recycled, stored on, or transported to or from, or released, deposited or disposed of on the portion of the 2023 Real Property other than in material compliance at all times with all applicable Environmental Laws.

SECTION 1.4. Corporation Representations, Warranties and Covenants. The Corporation makes the following representations, warranties and covenants:

(a) The Corporation is a duly organized and validly existing nonprofit corporation created under the laws of the State, has the requisite power to carry on its present and proposed activities, and has full power, right and authority to enter into this Purchase and Use Agreement, the Trust Agreement and the Base Lease and to perform each and all of the obligations of the Corporation provided therein.

(b) The Corporation has taken or caused to be taken all requisite corporate action to authorize the execution and delivery of, and the performance of its obligations under, this Purchase and Use Agreement, the Base Lease, the Trust Agreement and each of the Acquisition and Construction Contracts to which it is or will be a party.

(c) By proper corporate action the officers of the Corporation have been duly authorized to execute and deliver this Purchase and Use Agreement, the Base Lease, the Trust Agreement and each of the Acquisition and Construction Contracts to which it is or will be a party.

(d) The execution and delivery by the Corporation of this Purchase and Use Agreement, the Base Lease and the Trust Agreement and the consummation by the Corporation of the transactions contemplated hereby and thereby have not and will not conflict with or constitute a breach of or default under the Corporation's articles of incorporation or bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement, or instrument to which the Corporation is a party or by which it is bound.

(e) Each of this Purchase and Use Agreement, the Base Lease, the Trust Agreement and each Acquisition and Construction Contract to which the Corporation is or will be a party has been or will be duly executed and delivered by the Corporation and constitutes or will constitute a legal and valid obligation of the Corporation, enforceable against the Corporation in accordance with its terms, except as enforcement may be limited by laws affecting creditors' rights generally and except as equitable remedies may be limited by judicial discretion.

(f) Other than as disclosed in the Official Statement for the Series 2023 Bonds, there is no litigation pending and served on the Corporation that challenges the Corporation's authority to execute, deliver or perform its obligations under this Purchase and Use Agreement and the Corporation has disclosed any threatened litigation with respect to such matters of which the Corporation is aware.

(g) The Corporation is in material compliance with all applicable laws, regulations and ordinances, including but not limited to those applicable to the Corporation's activities in connection with this Purchase and Use Agreement.

(h) The Corporation is a South Carolina nonprofit, public benefit corporation, no part of the net income of which inures to the benefit of any private individual or organization.

(i) To finance the 2023 Projects, to pay the Base Lease Rent to the County and for such other purposes contemplated hereby and by the Trust Agreement, the Corporation will enter into the Trust Agreement pursuant to which it will issue the Series 2023 Bonds payable from and secured by the Installment Payments under this Purchase and Use Agreement.

ARTICLE II
INSTALLMENT SALE OF 2023 FACILITIES, USE OF 2023 REAL PROPERTY AND TERM THEREOF

SECTION 2.1. Installment Sale of 2023 Facilities; Use of 2023 Real Property and 2023 Facilities; Term. The Corporation hereby agrees to sell the 2023 Facilities to the County in accordance with the provisions hereof. On the date hereof, the Corporation has a valid leasehold interest in the 2023 Real Property and holds fee title to all remaining portions of the 2023 Facilities. Upon each payment of Base Payments from funds other than (i) amounts constituting Bond Proceeds (including income from the investment of such amounts) or (ii) payments made from a Reserve Sub-Account (if any) of the Reserve Account established for a series of the Bonds, title to an undivided interest in the 2023 Facilities equal to that percentage of the Purchase Price represented by such payment will transfer from the Corporation to the County without further action by either party hereto.

Any prepayment of Base Payments which is used to redeem the Series 2023 Bonds will result in a recalculation of the Purchase Price to take account of such prepayment and, upon the making of such prepayment, the County shall be credited with an undivided interest in the 2023 Facilities equal to that percentage of the total Purchase Price, as adjusted, represented by the total of all Base Payments made, including the prepayment on such date.

Subject to the provisions of Article VIII hereof, the County shall have the exclusive right to occupy and use the 2023 Real Property and the 2023 Facilities during the term hereof. Subject to the provisions of Sections 2.2 and 2.3 hereof, this Purchase and Use Agreement shall be for a term beginning with the date of execution and delivery hereof, and ending on December 1, _____.

During the term hereof, the County may permit other civic or charitable organizations or agencies of the State or any political subdivision thereof to use portions of the 2023 Real Property and the 2023 Facilities subject to the following limitations: (i) no agreement may be for a term in excess of one year; (ii) the 2023 Real Property and the 2023 Facilities shall not be used in any manner that interferes with the use of such property by the County for the purposes for which it was designed or is then being used; (iii) any such agreement shall expressly terminate upon the occurrence of an Event of Default or an Event of Nonappropriation hereunder; and (iv) the County shall monitor all such use to ensure continued compliance with the provisions of the Federal Tax Certificate relating to the Series 2023 Bonds and Section 5.3 hereof.

SECTION 2.2. Termination. The term of this Purchase and Use Agreement shall terminate upon the earliest of any of the following events:

(a) The occurrence of an Event of Nonappropriation, such occurrence to be determined in accordance with the definition of such term given in this Purchase and Use Agreement, which Event of Nonappropriation is not thereafter duly waived;

(b) The purchase by the County of the 2023 Facilities as provided in Article IX of this Purchase and Use Agreement;

(c) The occurrence of an Event of Default under and termination of this Purchase and Use Agreement by the Corporation or Trustee under Article VIII of this Purchase and Use Agreement; or

(d) December 1, _____, which date constitutes the last day of the term hereof, or such later date as all Installment Payments due hereunder shall be paid.

Termination of the term of this Purchase and Use Agreement shall terminate all obligations of the County under this Purchase and Use Agreement, including its obligations to pay future Installment Payments and other amounts that have not been appropriated (excluding, however, amounts payable under Section 2.3 hereof and other amounts specifically provided for herein), subject to identification as provided in Section 2.4 hereof, shall terminate the County's rights of possession under this Purchase and Use Agreement of the Corporation Facilities (except to the extent of any conveyance pursuant to Article IX of this Purchase and Use Agreement); but all other provisions of this Purchase and Use Agreement, including all obligations of the Corporation with respect to the Holders of the Bonds and the receipt and disbursement of funds and all rights and remedies of the Corporation specifically provided herein, shall be continuing until the Trust Agreement is discharged as provided therein. Notwithstanding the foregoing, termination of the term of this Purchase and Use Agreement shall not impair the County's rights as landlord or the Corporation's rights as tenant under the Base Lease, except as provided in the Base Lease.

SECTION 2.3. Holdover Terms. In the event the County fails to deliver possession to the Corporation of the Corporation Facilities or any part thereof pursuant to Section 2.4 hereof, the County shall be unconditionally liable for the payment of all Installment Payments, including Additional Payments, for successive six month periods commencing on the Bond Payment Date following the last due date of Base Payments hereunder until the County delivers possession of the Corporation Facilities to the Corporation. The obligations of the County under this Section 2.3 shall not in any manner constitute a pledge of the full faith, credit or taxing power of the County within the meaning of any State constitutional or statutory provision.

SECTION 2.4. Surrender of Possession Upon Termination; Partition of Undivided Interests. Upon (a) the occurrence of an Event of Default or an Event of Nonappropriation which results in termination hereof or (b) termination of all rights of the County hereunder, and at the written direction of the County and the Corporation shall proceed to partition the 2023 Facilities so that the percentage of undivided interests in the title to the 2023 Facilities will be converted, to the extent feasible, into like percentages of title to entire Facilities Components in accordance with Exhibit E hereof and the following provisions. The date upon which the Trustee gives such written direction shall be the "Partition Date."

Division of 2023 Facilities. Within a reasonable time after the Partition Date (but in no event longer than 60 days after the Partition Date), the County and the Corporation shall propose a division of 2023 Facilities or, in the event the County and the Corporation notify the Trustee in writing that they are unable to agree on a proposed division or they have not proposed a division of the 2023 Facilities within the time period provided by the previous sentence, the Trustee and the Partition Consultant, if selected, shall

propose a division of the 2023 Facilities within a reasonable time after the Partition Date. In all events, Trustee may, with the advice of counsel, select a Partition Consultant to assist, consult with and make recommendations to the Trustee in the division of the 2023 Facilities. The Trustee and the Partition Consultant, if selected, shall endeavor, to the extent practicable, to allocate the 2023 Facilities between the County and the Corporation in a fair and equitable fashion taking into account the following factors: (1) entire Facilities Components, if possible, will be assigned to each of the County and the Corporation; (2) if portions of the 2023 Facilities and Facilities Components will be assigned to each of the Corporation and the County, the Trustee and the Partition Consultant, if selected, and upon consultation with the Holders of a majority in principal amount of the Bonds, shall propose such partition as will, in the aggregate, best protect the interests of the Holders (subject to the provisions of this Section 2.4); and (3) the deletion, reduction or release (without exchange or substitution) of any Released Property pursuant to Section 5.1(c) hereof or pursuant to the last two paragraphs of Section 3.6 of the Base Lease shall be taken into account for purposes of determining the portions of the 2023 Facilities to be allocated between the Corporation and the County.

Valuation of Facilities Components and 2023 Facilities. For purposes of any partition, the 2023 Facilities will be valued based on insured values at the time of partition, although the percentage of the 2023 Facilities being purchased on an annual basis is set forth on Exhibit D hereof, subject to adjustment as stated on Exhibit D. In allocating the 2023 Facilities to the percentage of undivided interests in the entire 2023 Facilities to be conveyed to the County or retained by the Corporation, such insured values (at time of partition) and percentages set forth on Exhibit D hereof shall be used rather than the current market or other valuation of Facilities Components associated therewith.

Partial Divisions. In the event that the Trustee and the Partition Consultant, if selected, are unable to devise a partition that results in complete Facilities Components being assigned to the County or the Corporation, then such partition shall be made so as to provide the County's and the Corporation's respective interests to be allocated to Facilities Components in a manner consistent with other provisions of this Section 2.4. The portion of a Facilities Component which is property allocated to the County but is not a complete Facilities Component shall be designated as a "County Partial Facilities Component." With respect to a County Partial Facilities Component, the County may (i) continue to occupy the entire Facilities Component which includes a County Partial Facilities Component if it agrees to make payments (as specified in Section 2.3) in amounts to be determined by the Trustee and the Partition Consultant, if selected, as the proper charge for use of the Corporation's interest in such Facilities Component (the "Corporation Partial Facilities Component"); (ii) purchase the Corporation's interest in such Corporation Partial Facilities Component by the payment of the amount determined by the Trustee and the Partition Consultant, if selected; or (iii) cede occupancy rights in the County Partial Facilities Component to the Corporation for the duration of the term of the Base Lease. In determining the purchase price if the County elects to purchase the Corporation's interest in a Corporation Partial Facilities Component, the Trustee and the Partition Consultant, if selected, shall determine the prepayment amount that would be required under the second paragraph of Section 2.1 to result in a complete allocation of such Facilities Component to the County. In setting the payments to be made by the County if it chooses to continue to occupy the entire Facilities Component the Trustee and the Partition Consultant, if selected, shall set a payment that is not less than the amount of total Base Payments allocable to such Facilities Component that would have been payable from and after the Partition Date if this Purchase and Use Agreement or the rights of the County hereunder had not been terminated.

Partition Report; Finality. The Trustee and the Partition Consultant, if selected, shall make a report regarding the division of the 2023 Facilities as soon as practicable after the Partition Date. In the discretion of the Trustee the partition report shall be final and binding upon all parties.

Instruments of Conveyance. Within a reasonable time (but in no event sooner than 30 days or later than 60 days) after the partition report becomes final, the County and the Corporation shall exchange deeds or other instruments vesting title to such of the 2023 Facilities as is required to effect such partition; provided, however, that any conveyance deed or other instrument made by the Corporation shall be made in the manner and subject to the conditions set forth in Section 9.2 hereof. Immediately thereafter, the County shall deliver up or cause to be delivered up peaceable possession of the Corporation Facilities to the Corporation, together with the related portion of the 2023 Real Property, without delay, in good repair and operating condition, excepting reasonable wear and tear; provided, however, that in the event of a partial division, the terms relating to County Partial Facilities Components described above shall control. Any Facilities Component delivered to the Corporation in connection with such partition shall remain, at all times, subject to the terms of the Base Lease.

ARTICLE III
THE 2023 PROJECTS; FINANCING

SECTION 3.1. Purchase and Installation or Construction of the 2023 Projects. The Corporation and the County acknowledge that the County will be responsible for any and all Acquisition and Construction Contracts necessary or appropriate for the purchase and installation, or for any renovation, construction, installation, restoration, and reconstruction, to be performed in connection with the completion of the 2023 Projects and the County shall be the agent of the Corporation for all such purposes. The County may install machinery, equipment and other tangible personal property in the 2023 Facilities and on the 2023 Real Property and all such machinery, equipment and other tangible personal property not acquired nor financed from Bond Proceeds will remain the sole property of the County.

SECTION 3.2. Administration of Acquisition and Construction Contracts. The County shall be responsible for preparing, administering, amending and enforcing the Acquisition and Construction Contracts to be entered into with respect to the 2023 Projects and the 2023 Real Property and for litigating or settling all claims thereunder. The County and the Corporation, as their interests may appear, will be entitled to the benefit of all warranties, guaranties and indemnities provided under the Acquisition and Construction Contracts and by law.

SECTION 3.3. Notices and Permits. The Corporation shall cooperate with the County in order to give or cause to be given all notices and shall comply or cause compliance with all laws, ordinances, municipal rules and regulations and requirements of public authorities applying to or affecting the conduct of any work relating to the 2023 Projects. The County will defend and save the Corporation, the Trustee and their respective members, directors, officers, agents and employees harmless from all liabilities, damages or fines due to failure to comply therewith.

SECTION 3.4. Disbursements from the Project Fund.

(a) The balance of the Bond Proceeds (net of any Underwriter's discount and net original issue [premium][discount]) shall be deposited by the Trustee into the Project Fund. Thereafter, disbursements from the Project Fund shall be made for costs of the 2023 Projects, to pay the Base Lease Rent to the County and for such other purposes contemplated by Section 5.3 of the Trust Agreement.

(b) As provided in Section 5.3(c) of the Trust Agreement, the final requisition from the Project Fund shall contain, among other things, a certification by the Corporation and the County stating that the 2023 Projects (and with respect to the County's certification only, the Ancillary Projects) have been substantially completed in accordance with the applicable Acquisition and Construction Contracts (or with respect to the Ancillary Projects, and all applicable construction contracts) and other terms and

conditions of the Purchase and Use Agreement and the 2023 Projects and the Ancillary Projects (as applicable) comply in all material respects with all applicable governmental regulations. Upon receipt of such final requisition, the Trustee shall apply any balance then remaining in the Project Fund in the manner provided in Section 5.4 of the Trust Agreement. As used in this paragraph, "substantial completion" of the 2023 Projects and the Ancillary Projects shall mean completion such that a certificate of occupancy could be issued notwithstanding the fact that certain minor items of work remain to be done.

SECTION 3.5. Defaults Under Acquisition and Construction Contracts. In the event of any material default by a supplier, contractor or subcontractor under any of the Acquisition and Construction Contracts, or in the event of a material breach of warranty with respect to any property, fixtures, materials, workmanship or performance under any Acquisition and Construction Contract, the County and the Corporation shall promptly proceed, and may do so in conjunction with others, to pursue diligently such remedies as are available against the applicable supplier, contractor or subcontractor and/or against any surety of any bond securing the performance of the Acquisition and Construction Contracts. The Net Proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including without limitation, attorney's fees and costs), and after reimbursement to the County or the Corporation of any amounts theretofore paid by either of them, and not previously reimbursed, for correcting or remedying the default or breach of warranty which gave rise to the proceedings against the contractor or surety, shall be paid into the Project Fund if received before the Completion Date, or if received thereafter, shall be deposited as otherwise provided in Section 7.2 of this Purchase and Use Agreement or otherwise applied as provided in Section 7.3 of this Purchase and Use Agreement.

SECTION 3.6. Worker's Compensation Insurance. The County and the Corporation shall take such steps as are necessary to ensure that worker's compensation insurance is in force with respect to any Acquisition and Construction Contracts.

SECTION 3.7. Contractor's Performance and Payment Bonds. The County and the Corporation shall take such steps as are necessary to ensure that performance and payment bonds regarding contractor's performance and payment are provided in the same manner as would be applicable to any contracts of the County.

The Net Proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the performance and payment bonds remaining after deduction of expenses incurred in such recovery (including without limitation, attorney's fees and costs), and after reimbursement to the County and the Corporation of any amounts theretofore paid by either of them, and not previously reimbursed, for correcting or remedying the default or breach of warranty which gave rise to the proceedings against the contractor or surety, shall be paid into the Project Fund if received before the Completion Date, or if received thereafter, shall be deposited as otherwise provided in Section 7.2 of this Purchase and Use Agreement or otherwise applied as provided in Section 7.3 of this Purchase and Use Agreement.

SECTION 3.8. Contractor's General Public Liability and Property Damage Insurance. The County and the Corporation shall take such steps as are necessary to ensure that comprehensive general public and property damage liability insurance with respect to the 2023 Projects are provided in the same manner as would be applicable to any contracts of the County. The Net Proceeds of any insurance policies required by this section or any amounts recovered by way of damages, refunds, adjustments, proceeds or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including without limitation, attorney's fees and costs), and after reimbursement to the County or the Corporation of any amounts not to exceed $100,000 theretofore paid by the County or the Corporation and not previously reimbursed to the County or the Corporation for actions taken by the

County or the Corporation to restore damaged portions of the 2023 Facilities to a condition necessary to secure the 2023 Facilities and prevent further loss shall be paid into the Project Fund before the Completion Date or, if received thereafter, shall either be deposited as provided in Section 7.2 of this Purchase and Use Agreement or otherwise applied as provided in Section 7.3 of this Purchase and Use Agreement; provided, however, such deposit shall not exceed the amount necessary to fulfill the obligations of the County under this Purchase and Use Agreement as determined by the Trustee.

ARTICLE IV
INSTALLMENT PAYMENTS; ASSIGNMENT TO TRUSTEE

SECTION 4.1. Installment Payments.

(a) Installment Payments to Constitute a Current Expense of County. The Corporation and the County understand and intend that the obligation of the County to pay Installment Payments hereunder shall constitute a current expense of the County and are dependent upon lawful appropriations of funds being made from Available Sources by the Council to pay Installment Payments due in each fiscal year hereunder, and shall not in any way be construed to be a debt of the County in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the County, nor shall anything contained herein constitute a pledge of the Available Sources, general tax revenues, funds, moneys or credit of the County.

(b) Payment of Base Payments. Subject to an Event of Nonappropriation as described in Section 4.7 hereof, on or before the 15th day prior to each Bond Payment Date during the period this Purchase and Use Agreement is in effect, the County shall pay to the Trustee as assignee of the Corporation, Base Payments (exclusively from Available Sources specifically budgeted and appropriated for such purpose in lawful money of the United States of America), which payments shall be made to the Trustee as assignee of this Purchase and Use Agreement, in the amounts set forth on Exhibit D hereto; provided, that nothing herein shall constitute a pledge of the Available Sources, general tax revenues, funds, moneys or credit of the County. Each payment of Base Payments shall be in consideration for the conveyance of title to an undivided interest in the 2023 Facilities as and to the extent provided in Section 2.1 hereof. As further consideration for the receipt of Base Payments, the County shall be entitled to the use and occupancy of all of the 2023 Real Property and the 2023 Facilities during the applicable Fiscal Year in which such payments are or will be made.

(c) Payment of Additional Payments. The County agrees to pay, subject to the provisions of Section 4.7 hereof, the following amounts as Additional Payments together with such other sums as are provided for herein:

(i) The amounts provided for in Sections 4.2 and 4.4 hereof to the parties referred to therein;

(ii) Upon receipt of written notice from the Trustee pursuant to the terms of any Supplemental Agreement (as defined in the Trust Agreement) of a transfer from a subaccount of the Reserve Account established for a particular series of Bonds (as defined in the Trust Agreement) to the applicable subaccount of the Facilities Purchase Account, within the period of time specified in such Supplemental Agreement, or payment to the issuer or provider of an instrument or surety bond issued to satisfy, in whole or in part, any Reserve Requirement relating to such series of Bonds, of an amount equal to the amount so transferred from the applicable subaccount of the Reserve Account to the applicable subaccount of the Facilities Purchase Account;

(iii) Within the period of time specified in a Supplemental Agreement, the amount of moneys necessary to re-establish a subaccount of the Reserve Account established for a particular series of Bonds at the applicable Reserve Requirement as may be required pursuant to such Supplemental Agreement;

(iv) All reasonable costs and expenses incurred or to be paid by the Corporation or the Trustee, as the case may be, under the terms of this Purchase and Use Agreement or the Trust Agreement, including without limitation the amounts specified in Section 4.4 hereof and amounts payable by the Corporation pursuant to or contemplated by repurchase, forward delivery or other investment agreements which are Permitted Investments under the Trust Agreement;

(v) Amounts required to pay premiums on insurance for the 2023 Real Property or the 2023 Facilities if such amounts are not paid directly by the County to the applicable insurer;

(vi) Amounts owed to a bond insurer (if any) as provided for in the Trust Agreement; and

(vii) Amounts, if any, budgeted by the Corporation for deposit into the Repair and Replacement Fund, in accordance with Section 5.4 of the Trust Agreement.

The Corporation may, but shall be under no obligation to, advance moneys (i) to pay taxes, assessments and other governmental charges with respect to the 2023 Real Property and the 2023 Facilities, (ii) for the discharge of mechanic's and other liens relating to the 2023 Real Property and the 2023 Facilities, (iii) to obtain and maintain insurance for the 2023 Real Property and the 2023 Facilities and pay premiums therefor, and (iv) generally, to make payments and incur expenses in the event that the County fails to do so as required by this Purchase and Use Agreement or the Base Lease. As provided in Section 6.11 of the Trust Agreement, the Trustee may, but shall not be required to, take any such action. Any such advances shall continue to be due as Additional Payments hereunder.

(d) Credits. The County shall be entitled to a credit against payments of Base Payments in the amount of any deposits in the Bond Fund provided for in the Trust Agreement. In addition to the credit provided in the preceding sentence, the amount payable by the County as Base Payments will be reduced by the amount of money in the applicable subaccount of the Facilities Purchase Account to be credited against those payments and representing Base Payments, including without limitation accrued interest on the Series 2023 Bonds to the extent such amounts will be used to make payments on the Series 2023 Bonds. In this connection, if applicable, when amounts remaining in a subaccount of the Reserve Account equal or exceed the remainder of the applicable Base Payments due, such amounts shall be transferred to the applicable subaccount of the Facilities Purchase Account as and when needed for payment of such Base Payments.

(e) Continuation of Term by County. The County has no reason to believe, as of the date hereof, that it will not continue making Installment Payments through the entire term of this Purchase and Use Agreement, and reasonably believes that it will pay the Installment Payments due or coming due hereunder in order to continue to use the 2023 Real Property and the 2023 Facilities. The County presently intends to maintain its capacity to issue general obligation debt that does not require voter approval, in amounts and at times, together with other Available Sources, sufficient to make Base Payments when due; provided, however, that the County makes no representation or warranty as to its ability to issue general obligation debt in the future. The representations and covenants contained herein are subject to the ability of the County to terminate this Purchase and Use Agreement and all obligations hereunder as provided in Section 4.7 hereof.

SECTION 4.2. Installment Payments Not Subject to Reduction, Offset or Other Credits.

(a) The County and the Corporation intend that this Purchase and Use Agreement shall yield, net, the Base Payments specified in Section 4.1 hereof during the term of this Purchase and Use Agreement, and that all costs, expenses, liabilities and obligations of any kind and nature whatsoever including, without limitation, any ad valorem taxes or other taxes levied against holders of real or personal property, insurance premiums, utility charges and assessments and all operation, maintenance, repair and upkeep expenses relating to the 2023 Real Property and the 2023 Facilities and the use of the 2023 Real Property and the 2023 Facilities which do not constitute Base Payments, or other obligations relating to the 2023 Real Property and the 2023 Facilities which may arise or become due during the term of this Purchase and Use Agreement and which the Corporation except for this Purchase and Use Agreement or the terms of the Base Lease would ordinarily be required to pay as owner of the 2023 Real Property and the 2023 Facilities (regardless of whether the County as owner would be so required to pay) shall either be paid under the provisions of the Base Lease or be included in the Installment Payments and paid by the County as Additional Payments. The County acknowledges that, under the provisions of the Base Lease, it has retained responsibility for the payment of taxes and insurance on the 2023 Real Property and the 2023 Facilities and the property associated therewith and the obligations of the County under the Base Lease are not subject to the limitations of Section 4.6 hereof.

(b) All payments of Additional Payments referred to in Section 4.2(a) above shall be made by the County in immediately available funds on a timely basis directly to the person or entity to which such payments are owed; provided, however, subject to the terms of the Security Documents, that the County shall not be required to pay, discharge or remove any tax, lien, or assessment, or any mechanic's, laborer's or materialman's lien or encumbrance, or any other imposition or charge against the 2023 Real Property and the 2023 Facilities or any part thereof, or comply with any law, ordinance, order, rule, regulation or requirement, as long as the County shall, after prior written notice to the Corporation and the Trustee, at the County's expense, contest the same or the validity thereof in good faith, by action or inaction which shall operate to prevent the collection of the tax, lien, assessment, encumbrance, imposition or charge so contested, or the enforcement of such law, ordinance, order, rule, regulation or requirement, as the case may be, and the sale of the 2023 Facilities or any part thereof to satisfy the same or to enforce such compliance; provided further, that the County shall have given reasonable security as may be demanded by the Corporation, the Trustee, or both, to insure such payment and prevent any sale or forfeiture of the 2023 Facilities or any part thereof by reason of such nonpayment or noncompliance.

SECTION 4.3. Prepayment of Installment Payments. The County may prepay Installment Payments in whole or in part as provided in, and under the conditions prescribed under, Sections 7.3 and 9.1 hereof, or at any time that the County so determines for the purpose of providing for the redemption of Series 2023 Bonds as provided in Section 4.1(a) of the Trust Agreement or the purchase of Series 2023 Bonds as provided in Section 4.4 of the Trust Agreement. The County shall notify the Trustee in writing of the dates on which the Series 2023 Bonds corresponding to any prepayment hereunder are to be redeemed or purchased (as applicable) and the amount to be so redeemed or purchased on each such date, all in accordance with the provisions of the Trust Agreement. The Trustee may request such reasonable information and reports as may be necessary to establish the sufficiency of the payments to be made at the time of such prepayment or purchase, respectively.

SECTION 4.4. Administrative Expenses. Subject to the provisions of Section 4.7 hereof, the County shall pay as Additional Payments (i) the periodic fees and reasonable expenses from time to time of the Trustee and any Paying Agent incurred in administering the Trust Agreement and the Series 2023 Bonds, (ii) any expenses incurred by the Corporation, including but not limited to Administrative Fees and any other fees for legal, financial and accounting services and premiums for directors' and officers' insurance, and (iii) any reasonable expenses, including Administrative Fees and reasonable attorney's

fees, incurred by the Trustee to compel full and punctual performance of this Purchase and Use Agreement in accordance with the terms hereof.

SECTION 4.5. Assignment of Purchase and Use Agreement, Manner of Payment. As security for and the source of payment of the Series 2023 Bonds, pursuant to the Trust Agreement, the Corporation has assigned to the Trustee all of its right, title and interest in and to this Purchase and Use Agreement, except for the right of the Corporation to receive indemnity against claims and payment of its fees and expenses pursuant to Sections 4.2, 4.4 and 5.5 hereof. The County consents and agrees to the assignment of this Purchase and Use Agreement as provided herein. The County covenants to fully perform, in timely fashion, all of its covenants, agreements and obligations under this Purchase and Use Agreement, and to make all payments required by the County under this Purchase and Use Agreement (other than payment for indemnity and fees and expenses of the Corporation) directly to the Trustee, all without set-off, defense or counterclaim by reason of any dispute which the County may have with the Corporation or the Trustee.

SECTION 4.6. Limited and Special Obligation of County. UPON THE OCCURRENCE OF AN EVENT OF NONAPPROPRIATION, THIS PURCHASE AND USE AGREEMENT MAY BE TERMINATED AS OF THE END OF THE LAST FISCAL YEAR WHICH IS NOT AFFECTED BY SUCH EVENT OF NONAPPROPRIATION, AND THE COUNTY SHALL NOT BE OBLIGATED TO MAKE PAYMENT OF THE INSTALLMENT PAYMENTS PROVIDED FOR IN THIS PURCHASE AND USE AGREEMENT BEYOND THE END OF SUCH FISCAL YEAR (EXCEPT AS OTHERWISE PROVIDED HEREIN). If this Purchase and Use Agreement is terminated under this Section 4.6 or as provided in Section 4.7 or Section 2.2, the County agrees to peaceful delivery of that portion of the 2023 Facilities to be retained by the Corporation or its assigns as provided in Section 2.4 hereof.

The obligations of the County to make Installment Payments required under this Article IV and other sections hereof, and to perform and observe the covenants and agreements contained herein, shall be absolute and unconditional in all events, except as expressly provided under this Purchase and Use Agreement. Notwithstanding any dispute involving the County and any of the Corporation, any contractor, subcontractor, or supplier of materials or labor, or any other person, the County shall make all Installment Payments when due and shall not withhold any Installment Payments pending final resolution of such dispute, nor shall the County assert any defense or right of set-off, recoupment, or counterclaim against its obligation to make such payments required under this Purchase and Use Agreement. The County's obligation to make Installment Payments during the term of this Purchase and Use Agreement shall not be abated through accident or unforeseen circumstances. The County agrees not to suspend, reduce, abrogate, diminish, postpone, modify, discontinue, withhold, or abate any portion of the payments required pursuant to this Purchase and Use Agreement by reason of any defects, malfunctions, breakdowns, or infirmities of the 2023 Real Property or the 2023 Facilities, failure of the Corporation to complete the acquisition, construction, or installation of the 2023 Projects, failure of the County to occupy or to use the 2023 Facilities as contemplated in this Purchase and Use Agreement or otherwise, any change or delay in the time of availability of the 2023 Real Property or the 2023 Facilities, any acts or circumstances which may impair or preclude the use or possession of the 2023 Real Property or the 2023 Facilities, any defect in the title, design, operation, merchantability, fitness, or condition of the 2023 Real Property or the 2023 Facilities or in the suitability of the 2023 Facilities for the County's purposes or needs, failure of consideration, the invalidity of any provision of this Purchase and Use Agreement, any acts or circumstances that may constitute an eviction or constructive eviction, destruction of or damage to the 2023 Real Property or the 2023 Facilities, the taking by eminent domain of title to or the use of all or any part of the 2023 Real Property or the 2023 Facilities, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either thereof or in the rules or regulations of any governmental authority, or any failure of the

Corporation to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Purchase and Use Agreement. Nothing contained in this paragraph shall be construed to release the Corporation from the performance of any of the agreements on its part herein contained. In the event the Corporation should fail to perform any such agreement on its part, the County may institute such action against the Corporation as the County may deem necessary to compel performance so long as such action does not abrogate the County's obligations under this Purchase and Use Agreement. The County may, however, at its own cost and expense and in its own name or in the name of the Corporation, prosecute or defend any action or proceeding or take any other action involving third persons which the County deems reasonably necessary in order to secure or protect its right of possession, occupancy, and use under this Purchase and Use Agreement, and in such event the Corporation hereby agrees to cooperate fully with the County and to take all action necessary to effect the substitution of the County for the Corporation in any such action or proceeding if the County shall so request. It is the intention of the parties that the payments required by this Purchase and Use Agreement will be paid in full when due without any delay or diminution whatsoever, SUBJECT ONLY TO THE SPECIAL AND LIMITED NATURE OF THE COUNTY'S OBLIGATION TO PAY INSTALLMENT PAYMENTS HEREUNDER AS SET FORTH ABOVE.

THE OBLIGATIONS OF THE COUNTY UNDER THIS PURCHASE AND USE AGREEMENT SHALL NOT CONSTITUTE A PLEDGE OF THE FULL FAITH, CREDIT OR TAXING POWER OF THE COUNTY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL OR STATUTORY PROVISION.

SECTION 4.7. Event of Nonappropriation. The County shall promptly notify the Corporation and the Trustee of the occurrence of any Event of Nonappropriation (but in no event later than three business days after the occurrence thereof). Upon the occurrence of an Event of Nonappropriation, the following provisions shall apply:

(a) If the County delivers official, specific written notice to the Corporation and the Trustee that it will not appropriate funds from any Available Source in the next succeeding Fiscal Year for payment of Installment Payments, the Trustee shall immediately give written notice to the County, the Bond Insurer, and the Corporation stating that an Event of Nonappropriation has occurred; but any failure of the Trustee to give such written notice shall not prevent the Trustee from declaring an Event of Nonappropriation or from taking any remedial action which would otherwise be available to the Trustee.

(b) Subject to Article VIII hereof and the provisions of subsections (c) and (d) hereof, this Purchase and Use Agreement will be terminated pursuant to Section 2.2.

(c) Subject to Article VIII hereof and the provisions of subsection (d) hereof, the Corporation, with the prior written consent of at least 25% in principal amount of the Holders, or the Trustee may waive any Event of Nonappropriation which is cured by the County within a reasonable time if the Waiver Period has not expired and in the Trustee's judgment such waiver is in the best interest of the Holders of the Bonds; for the avoidance of doubt, the Trustee shall be entitled to rely upon advice of its counsel or the direction of the Holders of a majority in aggregate principal amount of the Bonds then outstanding.

(d) Subject to Article VIII hereof and notwithstanding the provisions of subsection (c) hereof, the Trustee shall waive any Event of Nonappropriation (but only an Event of Nonappropriation which occurs pursuant to clause (a) of the second paragraph of the definition thereof) which is cured by the County's specifically budgeting and appropriating, prior to expiration of the Waiver Period, moneys sufficient to pay Installment Payments coming due hereunder for such Fiscal Year that may be lawfully used to make such payment.

If an Event of Nonappropriation occurs and is not waived, the County shall not be deemed to be in default under this Purchase and Use Agreement and shall not be obligated to make payment of any future Installment Payments due hereunder or any other payments provided for herein which accrue after the beginning of the Fiscal Year with respect to which there has occurred an Event of Nonappropriation; provided, however, that, subject to the limitations of Section 4.6 hereof and this Section 4.7, the County shall continue to be liable for Installment Payments (a) accrued prior to the beginning of such Fiscal Year and due hereunder, and (b) allocable to any period during which the County shall continue to occupy the Corporation Facilities.

The County, in all events, shall cooperate with the Corporation and the Trustee in making the partition required under Section 2.4 hereof and shall vacate and deliver over to the Trustee the Corporation Facilities by the later of (a) the expiration of the Fiscal Year during which an Event of Nonappropriation occurs if such Event of Nonappropriation occurs by specific written notice thereof or the September 16 following the September 15 on which the County shall fail to enact an ordinance authorizing the issuance of general obligation bonds for the purpose of paying the Installment Payments hereunder or fail to specifically budget and appropriate monies that may be lawfully used therefor or (b) when required by the last paragraph of Section 2.4 hereof.

The Trustee shall, upon the occurrence of an Event of Nonappropriation, be entitled to all moneys then on hand and being held in all funds created under the Trust Agreement for the benefit of the Holders of the Series 2023 Bonds. After the expiration of the Fiscal Year during which an Event of Nonappropriation occurs, if such occurs by notice, or the September 16 following the September 15 on which the County fails to specifically budget and appropriate sufficient moneys to pay, or enact an ordinance authorizing the issuance of general obligation bonds for the purpose of paying, the Installment Payments hereunder, the Trustee may or shall, as the case may be, proceed to exercise its remedies, liquidate its interest in this Purchase and Use Agreement or lease the 2023 Facilities as provided in Section 8.2 of this Purchase and Use Agreement, provided, however, that the 2023 Facilities shall always be operated for a civic or a public purpose as provided in Section 6.10 of the Base Lease. All property, funds and rights acquired by the Trustee by reason of an Event of Nonappropriation as provided herein, less any moneys due and owing to the Trustee for services performed as Trustee, shall be held by the Trustee for the benefit of the Holders of the Bonds as set forth in the Trust Agreement.

Notwithstanding anything in this Purchase and Use Agreement to the contrary, in the event that the Trustee shall receive a payment for the transfer of its interest in this Purchase and Use Agreement, or total rental payments for leasing that are, after the payment of the Corporation's expenses in connection therewith, including attorneys' and other fees and expenses of the Trustee, and all other amounts which are payable hereunder, in excess of the principal amount of the Outstanding Series 2023 Bonds at the time of the Event of Nonappropriation and the interest due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then such excess shall be paid to the County by the Trustee, its assigns or its lessee.

ARTICLE V
COVENANTS OF THE COUNTY

SECTION 5.1. Maintenance and Operation of 2023 Real Property and 2023 Facilities; Transfers.

(a) Subject to Sections 4.6 and 4.7 herein, the County covenants and represents that during the term of this Purchase and Use Agreement, it shall, at its own cost or expense, operate the 2023 Real Property and the 2023 Facilities in a sound and economical manner, in compliance with all present and future laws and governmental regulations applicable thereto, and maintain, preserve and keep the 2023 Real Property and the 2023 Facilities in good repair, working order and condition, and that it shall from time to time make or cause to be made all necessary and proper repairs and renewals so that at all times the operation of the 2023 Real Property and the 2023 Facilities may be properly and advantageously conducted. This covenant shall not prevent the County from discontinuing operation of the 2023 Real Property and the 2023 Facilities at any time.

(b) Except as otherwise provided in this Section 5.1 and Section 2.1 hereof and the Base Lease, prior to payment of the Series 2023 Bonds in full, the County shall not sell, transfer, lease, sublease or otherwise dispose of all or any portion of the 2023 Real Property and the 2023 Facilities, or its interests under this Purchase and Use Agreement, except to another political subdivision of the State, which assumes in writing all obligations of the County under this Purchase and Use Agreement and shall enter into no such transaction without the written consent of the Trustee.

(c) Notwithstanding any other provision hereof to the contrary, the County may provide for the exchange of any asset comprising the 2023 Facilities, including the portion of the 2023 Real Property related thereto (the "Released Facility"), for another County facility and the real estate on which such facility (the "Exchange Facility") is located, or the deletion or modification of any Released Facility from the definition of "2023 Facilities" hereunder, if: (i) the County provides the Trustee evidence (including but not limited to an appraisal, certificate of insurance or otherwise) of the respective insured values of the Released Facility and the Exchange Facility, if applicable; (ii) the County certifies to the Trustee that, as applicable, (A) the exchange, deletion or modification is necessary or desirable to the County and the reasons therefor (including but not limited to facilitating the sale or other disposition of the Released Facility, the conversion of its use to another purpose other than use by the County as a public facility or otherwise), (B) after taking into account the deletion, modification or exchange of the Released Facility, the insured value of the 2023 Facilities owned by or allocated to the Corporation shall be in excess of 100% of the outstanding principal amount of the Bonds, (C) the proposed Exchange Facility (if any) has a value equal to or greater than the proposed Released Facility, and (D) the Exchange Facility (if any) is necessary or desirable to the operations of the County and the remaining useful life of such Exchange Facility is not less than the remaining useful life of the Released Facility; and (iii) the Trustee receives an opinion of Bond Counsel to the effect that the proposed exchange, deletion or modification will not adversely affect the federal income tax treatment of interest paid to the Holders of the Series 2023 Bonds. The Corporation and/or the County hereby agrees to provide prompt notice of an exchange of an Exchange Facility for a Released Facility hereunder or the deletion or modification of a Released Facility permitted hereby, to Moody's and S&P, if then rating the Bonds.

(d) Tracts of the 2023 Real Property or portions thereof may be released or substituted from time to time pursuant to the provisions of Section 3.6 of the Base Lease. Upon the release or substitution of any tract of the 2023 Real Property or portion thereof from the Base Lease, such 2023 Real Property shall also be released from or substituted under the provisions of this Purchase and Use Agreement, and Exhibit B shall be amended to reflect such release or substitution. The requirements of subsections (b) and (c)

above shall not apply to the release of any tract of the 2023 Real Property pursuant to the provisions of Section 3.6 of the Base Lease.

(e) The Base Lease may be amended from time to time as provided therein to provide for the lease by the City to the Corporation of any After Acquired Property and Additional Real Property acquired or made available by the City after the date of the Base Lease and this Purchase and Use Agreement. Upon the lease of such After Acquired Property or Additional Real Property by the City to the Corporation pursuant to the Base Lease, Exhibits A and B hereto shall be amended to include such After Acquired Property or Additional Real Property and identify any Permitted Encumbrances related thereto.

SECTION 5.2. Liens on 2023 Real Property and the 2023 Facilities. The County shall not create, incur or suffer to exist any lien, charge or encumbrance on the 2023 Real Property or the 2023 Facilities or its rights under this Purchase and Use Agreement other than any Permitted Encumbrance.

SECTION 5.3. Representations and Covenants Regarding Tax Exempt Status of Series 2023 Bonds.

(a) Neither the Corporation nor the County shall take any action (including but not limited to any use of the 2023 Real Property and the 2023 Facilities or the Ancillary Projects) or permit any action to be taken on its behalf, or cause or permit any circumstance within its control to arise or continue, if such action or circumstance, or its expectation on the date of this Purchase and Use Agreement would cause the interest paid on the Series 2023 Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes.

(b) The County covenants to the Corporation, the Trustee and the Holders of the Series 2023 Bonds that, notwithstanding any other provision of this Purchase and Use Agreement or any other instrument, it will neither make nor cause to be made any investment or other use of the proceeds of the Series 2023 Bonds or amounts on deposit in any of the funds or accounts held under the Trust Agreement or under any other document related to the Series 2023 Bonds which would cause the Series 2023 Bonds to be "arbitrage bonds" under Section 148 of the Code and the regulations thereunder, and that it will comply with the requirements of such Section and regulations throughout the term of the Series 2023 Bonds.

(c) The County shall take all actions necessary on its part to enable compliance with the rebate provisions of Section 148(f) of the Code in order to preserve the federal income tax status of payments of interest with respect to the Series 2023 Bonds. The County shall ensure that the Corporation retains a consultant experienced in the calculation and determination of rebate payments and liability under Section 148(f) of the Code to provide the reports required under the Federal Tax Certificate for the Series 2023 Bonds.

(d) The County will accept title to the 2023 Facilities upon the discharge of the Series 2023 Bonds.

SECTION 5.4. Reports and Opinions; Inspections.

(a) The County shall permit the Corporation and the Trustee to examine, visit and inspect, at any reasonable time, the 2023 Real Property and the 2023 Facilities, and any accounts, books and records, including its receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, and to supply such reports and information as the Trustee may reasonably request.

(b) The Corporation shall give the Trustee prompt notice of any failure of the County to make the payments required to be made pursuant to Section 4.1(b) when due.

SECTION 5.5. Immunity of Corporation and Trustee. In the exercise of the powers of the Corporation and the Trustee and their members, directors, officers, employees and agents under the Trust Agreement or this Purchase and Use Agreement including (without limiting the foregoing) the application of moneys and the investment of funds, neither the Corporation nor the Trustee shall be accountable to the County for any action taken or omitted with respect to the 2023 Facilities or the Ancillary Projects or this Purchase and Use Agreement by either of them or their members, directors, officers, employees and agents in good faith and believed by it or them to be authorized or within the discretion or rights or powers conferred under this Purchase and Use Agreement. The Corporation and the Trustee and their members, officers, employees and agents shall be protected in its or their acting upon any paper or documents believed by it or them to be genuine, and it or they may conclusively rely upon the advice of counsel and may (but need not) require further evidence of any fact or matter before taking any action. No recourse shall be had by the County for any claims based on the Trust Agreement or this Purchase and Use Agreement against any member, director, officer, employee or agent of the Corporation or the Trustee alleging personal liability on the part of such person. To the extent permitted by law, the County shall defend the Corporation and any of its members, directors, officers, employees or agents and save them harmless against any liability, including expenses and legal or other fees, intended to be precluded by this Section 5.5 resulting from acts or omissions of the County or from acts or omissions of the Corporation or any of their members, directors, officers, employees or agents in connection with any acts taken pursuant to this Purchase and Use Agreement, except for fraud, deceit, or acts taken in bad faith or which are negligent.

SECTION 5.6. Compliance with Laws. With respect to the 2023 Real Property and the 2023 Facilities and any additions, alterations, or improvements thereto, the County will at all times comply with all applicable requirements of federal and state laws and with all applicable lawful requirements of any agency, board, or commission created under the laws of the State or of any other duly constituted public authority; provided, however, that the County shall be deemed in compliance with this Section 5.6 so long as it is contesting in good faith any such requirement by appropriate legal proceedings.

SECTION 5.7. [Reserved].

SECTION 5.8. Filing of Budget with Trustee. During the term of this Purchase and Use Agreement, the County shall file with the Trustee, within 15 days after the beginning of each Fiscal Year, a copy of the annual budget of the County for that Fiscal Year.

SECTION 5.9. Alterations of the 2023 Real Property and the 2023 Facilities; Removals. The County, in its discretion and at its expense, may remodel or make such additions, modifications and improvements to the 2023 Facilities as it may deem to be desirable; provided, that no such additions, modifications or improvements shall adversely affect the structural integrity or strength of, or materially interfere with the use and operations of, the 2023 Real Property and the 2023 Facilities.

In this connection, the County may remove any items of personal property constituting a part of the 2023 Facilities financed by a source of funds other than Bond Proceeds, provided that such removal of the personal property shall not materially diminish the value of the 2023 Facilities.

In the case of any removal as provided above or any removal of County property not constituting 2023 Facilities, the County shall repair any damage resulting from such removal.

SECTION 5.10. Continuing Disclosure. The County covenants to provide the information required by Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("15c2-12"), as an Obligated Person (as defined in 15c2-12) in compliance with the provisions of the Continuing Disclosure Certificate attached hereto as Exhibit F (the "Disclosure Undertaking"). In the event of a

failure by the County or any dissemination agent appointed thereby to comply with any provisions of the Disclosure Undertaking, the rights of the Holders of the 2023 Bonds to enforce the provisions of the Disclosure Undertaking shall be limited solely to a right, by action in mandamus or specific performance, to compel performance of the parties' obligations under the Disclosure Undertaking.

Any failure by a party to perform in accordance with the Disclosure Undertaking shall not constitute a default on the Series 2023 Bonds or under any other document relating to the Series 2023 Bonds, and all rights and remedies shall be limited to those expressly stated in the Disclosure Undertaking.

The County hereby covenants, so long as required pursuant to Section 11-1-85 of the South Carolina Code, to file with a central repository for availability in the secondary bond market an annual independent audit within 30 days of its receipt and event-specific information within 30 days of an event adversely affecting more than five percent of tax revenues or the County's tax base.

ARTICLE VI
INSURANCE

SECTION 6.1. Types of Insurance and Coverage Requirements.

(a) During the term hereof, the County shall maintain all-risk fire, extended coverage, vandalism, and malicious mischief insurance on the 2023 Real Property and the 2023 Facilities with such deductible provisions as are consistent with similar insurance obtained by the County with respect to other property owned by it. Such insurance shall (1) name the Corporation, the County and the Trustee as loss payees or additional insureds**,** as their interests may appear, be maintained for the term of this Purchase and Use Agreement; and (2) be in an amount at least equal to the replacement value of the 2023 Real Property and the 2023 Facilities.

(b) The County shall, to the extent required by law or good business practice, maintain for the term of this Purchase and Use Agreement, general liability insurance, worker's compensation insurance, disability insurance, and any other form of insurance, covering loss resulting from injury, sickness, disability or death of employees in amounts at least equal to those carried by institutions of similar size and nature.

(c) The County shall maintain, for the term of this Purchase and Use Agreement, general liability insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from the death or bodily injury of persons or damage to the property of others caused by accident or occurrence (including contractual liability endorsement), with limits of not less than $800,000 per occurrence and not less than $1,000,000 in the aggregate for claims made in any one year on account of injury of any one person, and $250,000 for property damage per occurrence with an aggregate property damage limitation of not less than $500,000, excluding liability imposed upon the County by any applicable worker's compensation law. Such insurance shall name the Corporation, the County and the Trustee as additional insureds or loss payees, as their interests may appear.

(d) All policies of insurance required hereunder shall be written by the South Carolina Association of Counties Insurance Trust, the South Carolina Insurance Reserve Fund or any governmental or quasi-governmental entity that provides insurance coverage for political subdivisions (or any of their successors), or any companies rated not lower than "A" by A. M. Best Company or in one of the two highest rating categories by S&P or Moody's, in each case qualified to do business in the State and each policy shall provide at least 30 days prior written notice to the Corporation and the Trustee before such policy is canceled. The County may provide any part or all of the insurance required hereby under the terms of a policy insuring other facilities or risks or any "blanket" policy. The County covenants that it

will take all action, or cause the same to be taken, which may be necessary to enable recovery under the aforesaid insurance policies.

(e) All policies of insurance required hereby shall be open to inspection by the Corporation and the Trustee at all reasonable times. Certificates of insurance describing such policies shall be furnished by the County to the Corporation and the Trustee when such policies are required to be obtained by this Section 6.1 and at least 10 days prior to the expiration of each of such policies. The County shall certify that it is in compliance with the provisions hereof at or prior to the execution and delivery of this Purchase and Use Agreement. If any change shall be made in such insurance as to either amount or type of coverage, a description and notice of such change shall be furnished immediately to the Corporation and the Trustee by the County or it shall cause the same to be so furnished. In the event that the County fails to maintain any insurance as provided in this Section, the Trustee may, upon such notice to the County as is reasonable under the circumstances, procure and maintain such insurance at the expense of the County (reimbursable as provided hereinbefore), but the Trustee shall not be under an obligation to do so.

SECTION 6.2. Self-Insurance Approval. If, at the time of execution of this Purchase and Use Agreement, the County self-insures or at any time hereafter desires to self-insure to the extent permitted by law, the entry into such self-insurance program shall require the written approval of the Corporation.

ARTICLE VII
DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

SECTION 7.1. Damage, Destruction and Condemnation. If, during the term of this Purchase and Use Agreement, (i) the 2023 Facilities, the Ancillary Projects or any portion thereof shall be destroyed (in whole or in part), or be damaged by fire or other casualty, or (ii) title to, or the temporary or permanent use of, the 2023 Real Property, the 2023 Facilities, the Ancillary Projects or any portion thereof or the estate of the County or the Corporation in the 2023 Real Property, the 2023 Facilities, the Ancillary Projects or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, or (iii) a material defect in construction or installation of the 2023 Facilities, the Ancillary Projects or any portion thereof shall become apparent, or (iv) title to or the use of all or any portion of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects shall be lost by reason of a defect in title thereto, then the County shall be obligated, subject to the option provided in Section 7.3 hereof and the provisions of Sections 4.6 and 4.7 hereof, to continue to pay the amounts specified as Installment Payments under this Purchase and Use Agreement.

SECTION 7.2. Obligation to Repair or Replace the 2023 Facilities and the Ancillary Projects. Subject to the provisions of Section 7.3 hereof, the County, the Corporation and the Trustee shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards made available by reason of any occurrence described in Section 7.1 hereof, to be deposited as provided in Sections 3.5, 3.7 or 3.8, as the case may be, hereof prior to the Completion Date or, after the Completion Date, in a separate trust fund designated as the "Net Proceeds Fund" which the Trustee is hereby directed to establish in such event. Except as set forth in Section 7.3 hereof, all Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, improvement or replacement of the 2023 Real Property, the 2023 Facilities, the Ancillary Projects by the County upon receipt of requisitions by the Trustee signed by an authorized official of the County stating with respect to each payment to be made: (i) the requisition number; (ii) the name and address of the person, firm or corporation to whom payment is due; (iii) the amount to be paid; and (iv) that each obligation mentioned therein has been properly incurred, is properly payable from the Net Proceeds held in the separate trust fund and has not been the

basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation. In carrying out any of the provisions of this Section 7.2, the County shall have all power and authority granted under Article III of this Purchase and Use Agreement; and the Trustee shall cooperate with the County in the administration of such fund and shall not unreasonably withhold its approval of requisitions required by this Section 7.2. The balance of any such Net Proceeds remaining after such repair, restoration, modification, improvement or replacement has been completed shall be applied to any lawful and authorized purpose of the County as directed in writing by the County. Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of such Net Proceeds shall be included as part of the 2023 Facilities or the Ancillary Projects under this Purchase and Use Agreement and the Trust Agreement.

If the Net Proceeds (plus any amounts withheld from such Net Proceeds by reason of any deductible clause) shall be insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects referred to above, the County shall be responsible, subject to the option contained in Section 7.3 hereof, for the completion of the work and the payment of any cost in excess of the amount of the Net Proceeds. In this connection, the County agrees that, if by reason of any such insufficiency of the Net Proceeds, the County shall make any payments pursuant to the provisions of this paragraph, the County shall not be entitled to any reimbursement therefor from the Trustee or the Holders of the Series 2023 Bonds, nor shall the County be entitled to any diminution of any Installment Payments payable under this Purchase and Use Agreement.

SECTION 7.3. Discharge of Obligation to Repair or Replace the 2023 Real Property, the 2023 Facilities and the Ancillary Projects. If, as a result of the occurrence of an event described in Section 7.1 hereof, (a) any part of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects is totally destroyed or is damaged to such an extent that the rebuilding or repairing of such part of the 2023 Facilities or Ancillary Projects (as applicable) would be impracticable, (b) there is discovered a material defect in the construction of the 2023 Facilities, the Ancillary Projects or any portion thereof that renders the 2023 Real Property, the 2023 Facilities, the Ancillary Projects or such portion unusable by the County for its intended purposes, (c) all or substantially all of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects is taken by eminent domain or (d) the County is deprived of the use of any part of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects by reason of a defect in title thereto, the County may elect to apply the Net Proceeds of applicable insurance policies, performance bonds or condemnation awards as a prepayment of Installment Payments and the discharge of its obligations with respect to Sections 7.1 and 7.2 hereof. Such an election may be made by written notice to the Corporation and the Trustee within 90 days of the occurrence of an event described in (a) through (d) above. Upon any such prepayment, the amount thereof shall be applied to redeem Series 2023 Bonds at the earliest practicable date pursuant to Section 4.1(b)(1) of the Trust Agreement, the Purchase Price shall be recalculated to take account of such prepayment, title to the affected part of the 2023 Real Property or the 2023 Facilities (if applicable) shall be deemed transferred to the County and in the event of any future partition under Section 2.4 hereof, such affected part of the 2023 Facilities (if applicable) shall be automatically assigned to the County. If at any time the amount to be applied as a prepayment hereunder shall exceed the redemption price of the Series 2023 Bonds, the Series 2023 Bonds shall be redeemed, title to all the 2023 Facilities shall be transferred to the County and any amounts not required for the redemption of the Series 2023 Bonds and payment of other expenses and amounts under the Trust Agreement shall be paid to the County.

SECTION 7.4. Cooperation of the Parties. The Corporation, the County and the Trustee shall cooperate fully with each other in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Section 7.1 of this Purchase and Use Agreement, in making the Net Proceeds available in accordance with Section 7.2 or 7.3 hereof and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the 2023 Real Property,

the 2023 Facilities, the Ancillary Projects or any portion thereof and in the enforcement of all warranties relating to the 2023 Real Property, the 2023 Facilities or the Ancillary Projects. The Corporation hereby designates the County as its agent for the purpose of making collections under such policies, such amounts to be held in trust and applied in accordance herewith. In no event shall the Corporation voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim, performance or payment bond claim, prospective or pending condemnation proceeding with respect to the 2023 Real Property, the 2023 Facilities or any portion thereof without the written consent of the County and the Trustee.

ARTICLE VIII
DEFAULTS AND REMEDIES

SECTION 8.1. Events of Default. Each of the following events is hereby defined as, and declared to be and shall constitute, an "Event of Default":

(a) failure by the County to make any payment required to be made pursuant to Section 4.1(b) hereof within five (5) days after the same is due (provided, however, that an Event of Nonappropriation shall not result in an Event of Default under this provision); or

(b) failure by the County to timely comply with the provisions of Section 2.4 hereof relating to partition and vacating of 2023 Facilities at the times required; or

(c) failure by the County to make any payment required to be made pursuant to Section 4.1(c), 4.2 or 4.4 hereof or under the provisions of the Base Lease within 10 days after the same is due; or

(d) failure by the County to observe and perform any other covenant, condition or agreement on its part to be observed or performed under this Purchase and Use Agreement for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the County by the Trustee; or

(e) if any of the representations and warranties of the County hereunder shall prove to be false or misleading in any material respect as of the date such representations and warranties were made; or

(f) the failure by the County promptly to stay or lift any execution, garnishment or attachment of such consequence as will, in the reasonable judgment of the Trustee, materially impair its ability to carry out its obligations under this Purchase and Use Agreement (provided that the County shall not be in default so long as it is diligently prosecuting a bona fide appeal from any such execution, garnishment or attachment); or

(g) if the County shall (i) apply for or consent to the appointment of a receiver, trustee, or the like of the County or of property of the County, or (ii) admit in writing the inability of the County to pay its debts generally as they become due, or (iii) make a general assignment for the benefit of creditors, or (iv) be adjudicated a bankrupt or insolvent, or (v) commence a voluntary case under the United States Bankruptcy Code or file a voluntary petition seeking reorganization, an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or (vi) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the United States Bankruptcy Code.

The foregoing provisions of this Section 8.1 are subject to the following provision: If, by reason of Force Majeure, the County shall be unable in whole or in part to carry out any agreement on its part herein contained, other than the obligations on the part of the County contained in Articles IV and VI of

this Purchase and Use Agreement, the County shall not be deemed in default during the continuance of such inability. The County agrees, however, to remedy, as promptly as legally and reasonably possible, the cause or causes preventing the County from carrying out its agreement, provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the County.

SECTION 8.2. Remedies. Whenever any Event of Default referred to in Section 8.1 of this Purchase and Use Agreement shall have happened and be continuing, the Corporation (with written notice promptly given to the Trustee) and the Trustee may terminate the term of this Purchase and Use Agreement and shall give notice to the County to vacate the Corporation Facilities within 31 days from the date of such notice. Whenever an Event of Nonappropriation shall be deemed to occur, the term of this Purchase and Use Agreement shall terminate pursuant to Section 2.2(a) and the County shall vacate and deliver over to the Trustee possession of the Corporation Facilities by the time specified in the third paragraph of Section 4.7 hereof.

Subject to the terms of the Base Lease, the Trustee may also (i) take whatever action at law or in equity which may appear necessary or desirable to enforce its rights in and to the 2023 Real Property and the 2023 Facilities under this Purchase and Use Agreement, the Security Documents and the Trust Agreement, subject, however, to the limitations set forth herein, and (ii) exercise all the rights and remedies of a secured party under the South Carolina Uniform Commercial Code.

In addition, the Trustee may, or at the direction of the Holders of the majority in aggregate principal amount of the Outstanding Bonds shall, without any further demand or notice, and subject to the terms of the Base Lease, including without limitation, the provisions in Section 4.1 of the Base Lease which provide that the Corporation Facilities shall always by operated for a civic or public purpose, take one or both of the following additional remedial steps:

(i) The Trustee may liquidate its interest in this Purchase and Use Agreement or sell or assign its interest in the Base Lease; or

(ii) The Trustee may relet or assign its rights to the Corporation Facilities under such terms and conditions as it deems appropriate for the benefit of the Holders of the Bonds.

Notwithstanding anything in this Purchase and Use Agreement to the contrary, (1) in the event of a termination of the County's interest in any portion of the 2023 Facilities and subsequent thereto the Trustee shall receive a payment for the transfer of its interest in this Purchase and Use Agreement or total rental payments for leasing that are, after the payment of the Corporation's expenses in connection therewith, including fees and expenses of the Trustee, in excess of the principal amount of the Outstanding Bonds at the time of the Event of Default or Event of Nonappropriation and the interest due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then such excess shall be paid to the County by the Trustee, its assigns or its lessee and (2) the Trustee shall not be permitted to sell, lease or otherwise dispose of any interest in the Corporation Facilities following an Event of Nonappropriation until the Waiver Period has expired, unless such action is expressly subject to the rights of the Corporation, Trustee or the County, as the case may be, to waive such Event of Nonappropriation.

SECTION 8.3. Limitations on Remedies. A judgment requiring a payment of money may be entered against the County by reason of an Event of Default or Event of Nonappropriation only as to the County's liabilities described in Section 10.1 of this Purchase and Use Agreement.

SECTION 8.4. Cumulative Rights. No remedy conferred upon or reserved to the Corporation or the Trustee by this Purchase and Use Agreement is intended to be exclusive of any other available

remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Purchase and Use Agreement or now or hereafter existing at law or in equity or by statute. No waiver by the Corporation or the Trustee of any breach by the County of any of its obligations, agreements or covenants hereunder shall be deemed a waiver of any subsequent breach, or a waiver of any other obligation, agreement or covenant, and no delay or failure by the Corporation or the Trustee to exercise any right or power shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised by the Corporation or the Trustee from time to time and as often as may be deemed expedient.

SECTION 8.5. Discontinuance of Proceedings. In case the Corporation or the Trustee shall have proceeded to enforce any right under this Purchase and Use Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Corporation or the Trustee, then and in every such case the County, the Corporation and the Trustee shall be restored respectively to their several positions and rights hereunder and all rights, remedies and powers of the County, the Corporation and the Trustee shall continue as though no such proceeding had been taken.

ARTICLE IX
CONVEYANCE OF THE 2023 FACILITIES

SECTION 9.1. Optional Purchase of the 2023 Facilities.

(a) Purchase in Full. The County is hereby granted the option to terminate this Purchase and Use Agreement and to purchase the Corporation's interest in the 2023 Facilities not theretofore acquired by the County at any time upon payment by the County of the then applicable Purchase Option Price; provided, however, that no such termination shall relieve the County from its obligation to pay Administrative Expenses as provided in Section 4.4 hereof until the Series 2023 Bonds have been fully discharged and the Trust Agreement terminated. The County shall notify the Corporation and the Trustee of its intention to exercise this option, on or before the 45th day preceding the date of such purchase or such later date as may be acceptable to the Trustee, but in no event later than the 30th day preceding the date of such purchase, and shall provide funds for such prepayment or such other assurance thereof as may be acceptable to the Trustee. Upon the payment of the Purchase Option Price, the Corporation shall transfer and convey all its remaining interest in the 2023 Facilities to the County in the manner provided in Section 9.2 hereof.

(b) Partial Prepayment of Installment Payments and Purchase. From and after December 1, _____, the County is also granted the option to prepay Installment Payments on the due date of any Base Payments hereunder for the purpose of having such prepayments credited towards the purchase price of the 2023 Facilities. The County shall notify the Corporation and the Trustee of its intention to exercise this option, on or before the 45th day preceding the date of such prepayment or such later date as may be acceptable to the Trustee, but in no event later than the 30th day preceding the date of such prepayment, and shall provide funds for such prepayment or such other assurance thereof as may be acceptable to the Trustee.

SECTION 9.2. Manner of Conveyance. (a) Complete Conveyance. At the closing of any purchase or other conveyance of all of the 2023 Facilities pursuant to Section 9.1 of this Purchase and Use Agreement, or at the conclusion of the term hereof by the payment of all amounts due hereunder, the Corporation and the Trustee shall execute and deliver to the County all necessary documents assigning, transferring and conveying all interest to the 2023 Facilities by an instrument terminating the Base Lease and this Purchase and Use Agreement and quit claim or special warranty deed, as the case may be, in the form as mutually agreed to by the Trustee, the Corporation and the County, subject to the following:

(i) Permitted Encumbrances, other than this Purchase and Use Agreement and the Trust Agreement;

(ii) all liens, encumbrances and restrictions created or suffered to exist by the Corporation and the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement or arising as a result of any action taken or permitted to be taken by the Corporation or the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement; and

(iii) any lien or encumbrance created by action or inaction of or consented to by the County.

(b) Partial Conveyance Resulting from Partition. Upon any conveyance under Section 2.4 hereof, the Corporation and the Trustee shall execute and deliver to the County all necessary documents assigning, transferring and conveying all interest in the County Facilities by an instrument terminating the Base Lease and this Purchase and Use Agreement with respect to the County Facilities and quit claim or special warranty deed, as the case may be, in the form as mutually agreed to by the Trustee, the Corporation and the County, subject to the following:

(i) Permitted Encumbrances, other than this Purchase and Use Agreement and the Trust Agreement;

(ii) all liens, encumbrances and restrictions created or suffered to exist by the Corporation and the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement or arising as a result of any action taken or permitted to be taken by the Corporation or the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement; and

(iii) any lien or encumbrance created by action or inaction of or consented to by the County.

Neither the Trustee nor the Corporation shall be responsible for the recordation of any deed or other instrument for such purposes.

(c) Partial Conveyance Resulting from Prepayment. Any conveyance resulting from a partial prepayment under Section 9.1(b) hereof shall be made in the manner as all other conveyances with respect to payments on each Bond Payment Date

ARTICLE X
MISCELLANEOUS

SECTION 10.1. Limitation of Liability of the Corporation and the County. Notwithstanding any other provision of this Purchase and Use Agreement, in the event of any default by either the Corporation or the County hereunder or under the Trust Agreement, any liability of the Corporation or the County shall be enforceable only out of its respective interest in the Base Lease and under this Purchase and Use Agreement and the moneys to be paid by the County through the later of the end of the Fiscal Year as to which Base Payments have been appropriated for or the conclusion of any holdover term as provided in Section 2.3 hereof, and there shall be no recourse for any claim based on this Purchase and Use Agreement, the Trust Agreement or the Bonds, against any other property of the Corporation or the County or against any officer or employee, past, present or future, of the Corporation or the County or any successor body as such, either directly or through the Corporation or the County or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, and the liability of the Corporation and the County shall be limited to its interests in the Base Lease and interests under this Purchase and Use Agreement and the moneys to be paid by the County hereunder through the later of the end of the Fiscal Year as to which Base Payments

have been appropriated therefor or the conclusion of any holdover term as provided in Section 2.3 hereof, and the lien of any judgment shall be restricted thereto, and there shall be no other recourse by the County against the Corporation or the Corporation against the County or any of the property now or hereafter owned by it or either of them.

SECTION 10.2. Surrender of Possession Upon Termination. Upon termination hereof or upon termination of all rights of the County hereunder, either by reason of an Event of Default or an Event of Nonappropriation, the County covenants that it will deliver up or cause to be delivered up peaceable possession of such of the 2023 Facilities as are determined under Section 2.4 hereof to be Corporation Facilities together with the related portion of the 2023 Real Property without delay, upon demand made by the Corporation or the Trustee, in good repair and operating condition, excepting reasonable wear and tear and damage, injury or destruction by fire or other casualty which, under the terms hereof, shall not have been repaired, reconstructed or replaced.

SECTION 10.3. Notices. Notices hereunder shall be given to the addresses shown below or to such other address as shall be filed in writing with the parties hereto as follows:

If to the County:
Lancaster County, South Carolina
Attn: County Administrator
Post Office Box 1809
Lancaster, South Carolina 29721-1809

If to the Corporation:
Lancaster County Public Facilities Corporation
Post Office Box 7391
Columbia, South Carolina 29202
(with copy to the County as described above)

If to the Trustee:
Regions Bank
1180 W. Peachtree Street, Suite 1200
Atlanta GA 30309
Attention: Corporate Trust Services

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Corporation, the County or the Trustee to one or more of the others also shall be given to the others. The foregoing parties may designate, by notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent.

SECTION 10.4. Assignments. Except as expressly provided in the Trust Agreement, this Purchase and Use Agreement may not be assigned by either of the parties hereto without the written consent of the other party hereto and the written consent of the Trustee. Except as provided in Section 8.2 hereof and the provisions of Articles VI and VII of the Trust Agreement, the Trustee shall not be permitted to further assign its interest in this Purchase and Use Agreement. Any assignment in contravention hereof shall be void.

SECTION 10.5. Severability. In case any provision of this Purchase and Use Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, by any court or administrative body of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision

hereof and this Purchase and Use Agreement shall be construed as if such provision had never been contained herein.

SECTION 10.6. Amendments. The County and the Corporation may, with the prior consent of the Trustee pursuant to Section 11.1 of the Trust Agreement, but without the consent of the Holders of any Bonds, enter into any amendments hereto at any time for any of the following purposes:

(a) To cure any ambiguity, defect or omission herein or in any amendment hereto; or

(b) To grant to or confer upon the Corporation any additional rights, remedies, powers, authority or security that lawfully may be granted to or conferred upon it; or

(c) To add to the covenants and agreements of the County herein contained, or to surrender any right or power herein reserved to or conferred upon the County; or

(d) To increase the Base Payments hereunder to enable the County to proceed to acquire and install additional assets in addition to the 2023 Facilities or modify the Base Payments hereunder in connection with the issuance of Additional Bonds under the Trust Agreement or the redemption, refunding or defeasance of a series of Bonds; or

(e) To reflect a change in applicable law; or

(f) To make any amendments required by Moody's or Standard and Poor's as a condition to rating the Bonds.

The County and the Corporation may, with notice to but without the prior consent of the Trustee, and without the consent of the Holder of any Bond, enter into any amendments hereto at any time and from time to time (i) to add additional property (including Additional Real Property) to the description of the 2023 Real Property described in Exhibit B hereto, consistent with amendments made pursuant to Section 3.1 of the Base Lease, (ii) under the conditions specified in Section 5.1(c) hereof, to add, delete or modify 2023 Real Property in connection with a release or substitution (as applicable) of other 2023 Real Property, (iii) to release property from the description of the 2023 Real Property described in Exhibit B hereto, consistent with a termination of the Base Lease pursuant to Section 3.6 of the Base Lease, or (iv) to revise the description of Permitted Encumbrances specified in Exhibit C hereto in connection with any of the foregoing amendments.

Notwithstanding anything herein to be the contrary, the parties hereto may execute such amendment or supplement to this Purchase and Use Agreement as may be necessary or desirable (with the advice of Bond Counsel) to correct the legal description of the 2023 Real Property or Permitted Encumbrances applicable thereto in connection with such an amendment to the Base Lease and cause such supplement or a short form and summary thereof to be recorded in appropriate official records.

All other amendments must be approved, if and to the extent required by the Trust Agreement, by the Trustee and the Holders of the Bonds.

SECTION 10.7. Successors and Assigns. All covenants, promises and agreements contained in this Purchase and Use Agreement by or on behalf of or for the benefit of the County or the Corporation, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 10.8. Applicable Law. This Purchase and Use Agreement shall be governed by, and interpreted under, the laws of the State of South Carolina.

SECTION 10.9. Recordation. At the option of the Corporation this Purchase and Use Agreement or a short form and summary hereof may be recorded in appropriate official records.

WITNESS the due execution of this Purchase and Use Agreement effective as of the day and the year first mentioned above.

(SEAL)

LANCASTER COUNTY,
SOUTH CAROLINA

WITNESSES:

_____

By: _____
Chairman, County Council

Attest: _____
Clerk to Council

_____

(*SEAL)*

WITNESSES:

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

_____

By:_____
President

_____

Attest:_____
Secretary/Treasurer

STATE OF SOUTH CAROLINA)
) PROBATE
COUNTY OF LANCASTER)

PERSONALLY appeared before me the undersigned witness, who, on oath says that (s)he saw Lancaster County, South Carolina, by its duly authorized officer, sign, seal and as its act and deed, deliver the foregoing Installment Purchase and Use Agreement and that (s)he together with the other witness subscribed above, witnessed the execution thereof.

_____
Witness

SWORN TO AND SUBSCRIBED BEFORE ME
this ____ day of _____, 2023

_____
Printed Name: _____
Notary Public for South Carolina
My Commission Expires:_____

STATE OF SOUTH CAROLINA)
) PROBATE
COUNTY OF LANCASTER)

PERSONALLY appeared before me the undersigned witness, who, on oath says that (s)he saw Lancaster County Public Facilities Corporation by its duly authorized officer, sign, seal and as its act and deed, deliver the foregoing Installment Purchase and Use Agreement, and that (s)he together with the other witness subscribed above, witnessed the execution thereof.

_____
Witness

SWORN TO AND SUBSCRIBED BEFORE ME
this ___ day of _____, 2023

_____
Printed Name: _____
Notary Public for South Carolina
My Commission Expires: _____

EXHIBIT A

DESCRIPTION OF THE 2023 PROJECTS AND THE ANCILLARY PROJECTS

The proceeds of the Series 2023 Bonds are expected to be applied to defray the costs of the following projects:

2023 Projects	**Cost**
Construction of Detention Center	
Construction of Regional Park	

Ancillary Projects	**Cost**
Acquisition of Land Adjacent to Regional Park	

Note: All construction amounts are estimated. To the extent less than all of the $_____ initial payment of Base Lease Rent is expended on the Ancillary Projects, the remaining amounts may be used to finance a portion of the 2023 Projects, pursuant to the procedures set forth in Section 5.3(d) of the Trust Agreement.

EXHIBIT B

LEGAL DESCRIPTION OF THE 2023 REAL PROPERTY

All those pieces, parcels or lots of land excluding all improvements located or to be located thereon and being more particularly described as follows:

[To be provided]

EXHIBIT B-1

CONVEYED IMPROVEMENTS

All existing improvements located on the 2023 Real Property.

EXHIBIT C

PERMITTED ENCUMBRANCES

[To be provided]

EXHIBIT D

BASE PAYMENTS SCHEDULE

Year	May 16	November 15

EXHIBIT E

VALUATION OF 2023 FACILITIES*

Name of Facility	Assigned Value as of Date of Execution and Delivery of Agreement*
New Detention Center	
New Regional Park	

Payment Date	Base Payments Allocated to Purchase Price	Percentage of 2023 Facilities Purchased*	Payment Date	Base Payments Allocated to Purchase Price	Percentage of 2023 Facilities Purchased*

* Assuming completion of 2023 Projects as of date of execution and delivery of this Agreement. After the Completion Date, the assigned values of the 2023 Facilities and the percentages thereof being purchased shall be recalculated based upon final construction costs of the 2023 Facilities.

EXHIBIT F

FORM OF TRUST AGREEMENT

between

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

and

REGIONS BANK,
as Trustee

$_____
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project) Series 2023

Dated _____, 2023

INDEX

(This Index is not a part of the Trust Agreement but rather is for convenience of reference only)

Page Preambles 1
Granting Clauses 2

ARTICLE I
DEFINITIONS

SECTION 1.1. Definitions 4
SECTION 1.2. Interpretation 15
SECTION 1.3. Captions and Headings 15

ARTICLE II
RECITALS AND REPRESENTATIONS

SECTION 2.1. Base Lease and Purchase and Use Agreement 15
SECTION 2.2. Installment Payments 16
SECTION 2.3. Assignment and Conveyance 16
SECTION 2.4. Powers and Trusts Granted 16
SECTION 2.5. Other Security Documents 17

ARTICLE III
AUTHORIZATION AND TERMS OF BONDS

SECTION 3.1. Principal Amount of Bonds; Designation of Bonds; Conditions to Delivery 17
SECTION 3.2 Purposes 18
SECTION 3.3. Maturity Schedule; Date; Interest Rates 18
SECTION 3.4. Provisions Relating to Additional Bonds; Conditions for Issuance 18
SECTION 3.5. Payment of Principal and Interest 19
SECTION 3.6. Denomination; Numbering 20
SECTION 3.7. Paying Agent 20
SECTION 3.8. Form of Bonds 20
SECTION 3.9. Execution of Bonds 20
SECTION 3.10. Authentication 20
SECTION 3.11. Medium of Payment 21
SECTION 3.12. Mutilated, Lost, Stolen or Destroyed Bonds 21
SECTION 3.13. Transfer and Registry; Persons Treated as Owners 21
SECTION 3.14. Interchangeability of Bonds 21
SECTION 3.15. Regulations With Respect to Exchanges and Transfer 21
SECTION 3.16. Cancellation and Destruction of Mutilated, Paid or Surrendered Bonds 22
SECTION 3.17. [Reserved] 22
SECTION 3.18. Book-Entry System 22
SECTION 3.19. Tax Covenants of Corporation 22

ARTICLE IV
REDEMPTION OR PURCHASE OF BONDS

SECTION 4.1.	Redemption of Bonds.	25
SECTION 4.2.	Notice of Redemption	26
SECTION 4.3.	Payment of Redeemed Bonds	26
SECTION 4.4.	Purchase of Bonds	26

ARTICLE V
PROVISIONS AS TO FUNDS AND PAYMENTS

SECTION 5.1.	Deposit of Money	26
SECTION 5.2.	Creation of Project Fund	27
SECTION 5.3.	Disbursements from and Records of Project Fund	27
SECTION 5.4.	Completion of 2023 Projects and Ancillary Projects	28
SECTION 5.5.	Creation of Bond Fund, Facilities Purchase Account and Reserve Account	28
SECTION 5.6.	Creation of Repair and Replacement Fund	30
SECTION 5.7.	Investments	30
SECTION 5.8.	Moneys to be Held in Trust	32
SECTION 5.9.	Nonpresentment of Bonds	32
SECTION 5.10.	Repayment to County from Bond Fund	32

ARTICLE VI
TRUSTEE

SECTION 6.1.	Trustee's Acceptance and Responsibilities	32
SECTION 6.2.	Certain Rights and Obligations of the Trustee	34
SECTION 6.3.	Fees, Charges and Expenses of Trustee	36
SECTION 6.4.	Intervention by Trustee	36
SECTION 6.5.	Successor Trustee	37
SECTION 6.6.	Resignation by Trustee	37
SECTION 6.7.	Removal of Trustee	37
SECTION 6.8.	Appointment of Successor Trustee	38
SECTION 6.9.	Dealing in Bonds	39
SECTION 6.10.	Representations, Agreements and Covenants of Trustee	39
SECTION 6.11.	Right of Trustee to Pay Taxes and Other Charges	39

ARTICLE VII
DEFAULT PROVISIONS AND REMEDIES
OF TRUSTEE AND HOLDERS

SECTION 7.1.	Defaults; Events of Default	39
SECTION 7.2.	Notice of Default	40
SECTION 7.3.	Remedies; Rights of Holders	40
SECTION 7.4.	Right of Holders to Direct Proceedings	42
SECTION 7.5.	Application of Moneys	42
SECTION 7.6.	Remedies Vested in Trustee	43
SECTION 7.7.	Rights and Remedies of Holders	43
SECTION 7.8.	Termination of Proceedings	44
SECTION 7.9.	Waivers of Events of Default	44

ARTICLE VIII
SUPPLEMENTAL AGREEMENTS

SECTION 8.1.	Supplemental Agreements Generally	44
SECTION 8.2.	Supplemental Agreements Not Requiring Consent of Holders	44
SECTION 8.3.	Supplemental Agreements Requiring Consent of Holders	45
SECTION 8.4.	Consent of County	46
SECTION 8.5.	Authorization to Trustee; Effect of Supplemental Agreement	47
SECTION 8.6.	Favorable Opinion of Bond Counsel	47
SECTION 8.7.	Modification by Unanimous Consent	47

ARTICLE IX
DEFEASANCE

SECTION 9.1.	Defeasance	48
SECTION 9.2.	Survival of Certain Provisions	48

ARTICLE X
ADDITIONAL COVENANTS AND AGREEMENTS
OF THE TRUSTEE

SECTION 10.1.	Additional Covenants and Agreements of the Trustee	49
SECTION 10.2.	Observance and Performance of Covenants, Agreements, Authority and Actions	49

ARTICLE XI
AMENDMENTS TO BASE LEASE AND PURCHASE AND USE AGREEMENT

SECTION 11.1.	Amendments Not Requiring Consent of Holders	49
SECTION 11.2.	Amendments Requiring Consent of Holders	50

ARTICLE XII
MISCELLANEOUS

SECTION 12.1.	Limitation of Rights	50
SECTION 12.2.	Severability	50
SECTION 12.3.	Notices	51
SECTION 12.4.	Suspension of Mail	51
SECTION 12.5.	Payments Due on Saturdays, Sundays and Holidays	52
SECTION 12.6.	Instruments of Holders	52
SECTION 12.7.	Priority of this Trust Agreement	52
SECTION 12.8.	Extent of Covenants; No Personal Liability	52
SECTION 12.9.	Continuing Disclosure	53
SECTION 12.10.	Binding Effect	53
SECTION 12.11.	Counterparts	53
SECTION 12.12.	Governing Law	53
SECTION 12.13.	Limitation of Liability of Corporation	53

SIGNATURES

EXHIBIT A - Form of Series 2023 Bonds A-1
EXHIBIT B - Form of Requisition B-1
EXHIBIT C - Form of Final Requisition C-1

TRUST AGREEMENT

This TRUST AGREEMENT dated _____, 2023 (the "Trust Agreement") is made by and between LANCASTER COUNTY PUBLIC FACILITIES CORPORATION (the "Corporation"), a nonprofit corporation organized and existing under the laws of the State of South Carolina, with its principal place of business located in Lancaster, South Carolina, and REGIONS BANK, as trustee (the "Trustee"), a national banking association duly organized and validly existing under the laws of the United States, with a corporate trust office located in Atlanta, Georgia.

WITNESSETH:

WHEREAS, Lancaster County, South Carolina (the "County") is simultaneously herewith entering into a Base Lease and Conveyance Agreement dated of even date herewith (the "Base Lease") with the Corporation, pursuant to which it has leased and will lease certain real property as more particularly described in Exhibit A attached to the Base Lease, as such Exhibit A may be amended from time to time (the "2023 Real Property"), and has conveyed or will convey the Conveyed Improvements (as defined in the Base Lease) described on Exhibit B attached to the Base Lease, to the Corporation; and

WHEREAS, the Corporation is simultaneously herewith entering into an Installment Purchase and Use Agreement dated of even date herewith (the "Purchase and Use Agreement") with the County pursuant to which (1) the Corporation has agreed to make certain improvements comprising the 2023 Projects (as defined herein), which 2023 Projects will be located on the 2023 Real Property (the 2023 Projects are hereinafter included in the definition of 2023 Facilities as defined in the Purchase and Use Agreement), and (2) the County has agreed to purchase the 2023 Facilities from the Corporation under the provisions of the Purchase and Use Agreement in consideration for which the County will be entitled to occupy the 2023 Facilities pending completion of the payment therefor; and

WHEREAS, the Corporation has agreed to pay the County the Base Lease Rent (as defined in the Base Lease) which is expected to be used to acquire or construct all or a portion of the Ancillary Projects (as defined herein), which Ancillary Projects will not be located on the 2023 Real Property and will not be subject to either the Base Lease or the Purchase and Use Agreement; and

WHEREAS, in order to defray the costs of the 2023 Projects and to pay the Base Lease Rent, the Corporation will issue $_____ of its Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023, dated of even date herewith (the "Series 2023 Bonds"), pursuant to the terms of this Trust Agreement; and

WHEREAS, the Corporation desires to enter into this Trust Agreement in order to issue the Series 2023 Bonds and prescribe the terms and conditions thereof and the security therefor and to provide for the issuance of one or more series of Additional Bonds (the "Additional Bonds" and, together with the Series 2023 Bonds, the "Bonds") to be secured under the terms hereof on a parity with the Series 2023 Bonds; and

WHEREAS, the Bonds are and will be secured by this Trust Agreement, and the Corporation and the Trustee are each authorized to execute and deliver this Trust Agreement and to do or cause to be done all acts provided or required herein to be performed on their respective parts; and

WHEREAS, as the source of payment and security for the Bonds, the rights of the Corporation (except for the hereinafter defined Reserved Rights) under the Purchase and Use Agreement, including certain of the payments to be made by the County thereunder, are being assigned to the Trustee hereunder; and

WHEREAS, the Trustee has accepted the trusts created by this Trust Agreement, and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS TRUST AGREEMENT WITNESSETH, that to secure the payment of the principal of, premium, if any, and interest on the Bonds, to secure the performance and observance of all the covenants, agreements, obligations and conditions contained therein and herein; and to declare the terms and conditions upon and subject to which the Bonds are and are intended to be executed, delivered, held, secured and enforced; and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Bonds by the Holders thereof, and for other good and valuable consideration, the receipt of which is acknowledged, the Corporation has executed and delivered this Trust Agreement and absolutely assigns hereby and grants a security interest herein to the Trustee, and its successors in trust and assigns, all of the following described collateral, whether presently owned or subsequently acquired by the Corporation (the "Trust Estate"):

Granting Clause First

All right, title and interest of the Corporation in and to the Revenues (as defined herein), including, without limitation, all Installment Payments (as defined in the Purchase and Use Agreement) and other amounts receivable by or on behalf of the Corporation under the Purchase and Use Agreement; subject to certain reserved rights described in Sections 4.2, 4.4, 4.5 and 5.5 of the Purchase and Use Agreement, as described and referenced in Section 4.5 thereof (the "Reserved Rights").

Granting Clause Second

All of the Corporation's right, title, and interest in and to the 2023 Facilities, the Purchase and Use Agreement (except for the Reserved Rights), the Base Lease and the property rights evidenced thereby in the 2023 Real Property, including all of the right, title, and interest of the Corporation in and to (a) all of the rents, issues, profits, revenues, income, receipts, moneys, royalties, rights, and benefits of and from the 2023 Real Property, and from and in connection with the Corporation's ownership of the 2023 Facilities, including, without limiting the generality of the foregoing, rents and revenues under any and all leases of the 2023 Real Property or the 2023 Facilities or any agreement for the operation or management of the 2023 Real Property or the 2023 Facilities, and (b) all leases of all or part of the 2023 Facilities or the 2023 Real Property hereafter made, executed, or delivered, whether oral or written, together with any and all renewals, extensions, and modifications thereof and any guarantees of the lessees' obligations thereof and any and all tenant contracts, rental agreements, franchise agreements, management contracts, construction contracts, and other contracts, licenses, and permits now or hereafter affecting the 2023 Facilities, the 2023 Real Property or any part thereof.

Granting Clause Third

All of the Corporation's rights with respect to any contracts for the construction or acquisition of the 2023 Projects, including without limitation the Acquisition and Construction Contracts (as defined in the Purchase and Use Agreement); any insurance or condemnation proceeds with respect to the 2023 Facilities, the 2023 Real Property or any portion thereof and the proceeds of any other collateral granted hereunder or assigned hereby as security for the Bonds.

Granting Clause Fourth

All moneys and investments in the funds and accounts (including Other Funds and Accounts) created pursuant to this Trust Agreement (except such funds and accounts as may be created by the Trustee exclusively for the payment of arbitrage rebate related to the Bonds) and all income thereon.

TO HAVE AND TO HOLD unto the Trustee and its successors in that trust and its and their assigns forever;

BUT IN TRUST, NEVERTHELESS, and subject to the provisions hereof, and subject to the Bonds provided for herein and the Purchase and Use Agreement, except as provided otherwise herein, for the equal and proportionate benefit, security and protection of all present and future Holders of the Bonds executed and delivered under and secured by this Trust Agreement; for the enforcement of the payment of Base Payments (as defined herein) by the County when payable, according to the true intent and meaning thereof and of this Trust Agreement; and to secure the performance and observance of, and compliance with the covenants, agreements, obligations, terms and conditions of, this Trust Agreement, in each case, without preference, priority or distinction, as to lien or otherwise, of any one Bond over any other Bond by reason of series designation, number, date of the Bond or of authorization, sale, execution, delivery or maturity thereof, or otherwise, so that each of the Bonds shall have the same right, lien and privilege under this Trust Agreement as all other Bonds and shall be secured equally and ratably hereby, it being intended that the lien and security of this Trust Agreement shall take effect from the date hereof, without regard to the date of the actual execution, delivery, sale or disposition of the Bonds as though upon that date all of the Bonds were actually executed, sold and delivered to purchasers for value; provided, however, that the amounts on deposit in the subaccounts, if any, of the Facilities Purchase Account and Reserve Account established for a particular series of Bonds shall be available solely for the benefit of such series (and for no other series) of Bonds; and provided, further, that

(i) if the principal of the Bonds and premium, if any, and the interest due or to become due with respect thereto shall be well and truly paid, at the times and in the manner to which reference is made in the Bonds, according to the true intent and meaning thereof, or the Outstanding Bonds of a particular series shall have been paid and discharged in accordance with Article IX hereof; and

(ii) if all of the covenants, agreements, obligations, terms and conditions of the Corporation under this Trust Agreement shall have been kept, performed and observed and there shall have been paid to the Trustee, as such and as the Paying Agent (as defined herein), all sums of money due or to become due to it in accordance with the terms and provisions hereof, then, this Trust Agreement and the rights assigned hereby shall cease, determine and be void with respect to the Bonds, except as provided in Section 9.2 hereof with respect to the survival of certain provisions hereof; otherwise, this Trust Agreement shall be and remain in full force and effect.

It is declared that all Bonds executed and delivered hereunder and secured hereby are to be executed, authenticated and delivered, and that all property assigned hereby is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, obligations, trusts, uses and purposes provided in this Trust Agreement. The Corporation and the Trustee have each agreed and covenanted, and agree and covenant with each other and with each and all Holders, as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1. Definitions. Capitalized terms not otherwise defined herein shall have the meanings provided therefor in the Purchase and Use Agreement or the Base Lease, as the context would allow. In addition, the following terms shall have the meanings set forth below:

"2023 Facilities" shall have the meaning set forth in the Purchase and Use Agreement.

"2023 Facilities Purchase Sub-Account" means the subaccount by that name established in the Facilities Purchase Account of the Bond Fund.

"2023 Projects" shall have the meaning set forth in the Purchase and Use Agreement.

"2023 Real Property" shall have the meaning set forth in the Recitals hereof.

"Additional Ancillary Projects" means improvements acquired, developed and constructed with proceeds of Additional Bonds, but not made subject to the Base Lease or the Purchase and Use Agreement.

"Additional Bonds" means any Bonds issued pursuant to this Trust Agreement after the issuance of the Series 2023 Bonds and secured by the Trust Estate on a parity with the Series 2023 Bonds under the terms of this Trust Agreement.

"Additional Facilities" means any public facilities of the County in addition to the 2023 Facilities proposed to be acquired, constructed or improved by the Corporation with the proceeds of Additional Bonds and made subject to the Purchase and Use Agreement and the Base Lease.

"Additional Payments" shall have the meaning set forth in the Purchase and Use Agreement.

"Additional Real Property" means any real property in addition to the 2023 Real Property that is or will become the site of Additional Facilities.

"Administrative Fee" means any program or other similar fees (including but not limited to annual facilities review fees) charged by the program administrator of the South Carolina Association of Government Organizations or any other reasonable fees and expenses of the Corporation or the Trustee (including legal fees and expenses), in each case in connection with the Bonds, this Trust Agreement, the Purchase and Use Agreement or the Base Lease.

"Ancillary Projects" shall have the meaning set forth in the Purchase and Use Agreement.

"Authorized Financial Representative" means such person designated by the Corporation and the County as being authorized to act as the Corporation's agent to provide directions with respect to the investment or reinvestment of amounts held by the Trustee or Custodian, as applicable, in funds and accounts established under this Trust Agreement, which designation may be evidenced by a written certificate or letter signed by any officer of the Corporation and the Chairman or Vice Chairman of the Council or the County Administrator delivered to the Trustee or Custodian, as applicable, and may be revoked, rescinded or replaced by a similar certificate or letter at any time.

"Base Lease" means the Base Lease and Conveyance Agreement dated of even date herewith, between the County and the Corporation, as the same may be amended, modified and supplemented from time to time.

"Base Payments" shall have the meaning set forth in the Purchase and Use Agreement.

"Beneficial Owner" means any purchaser who acquires a beneficial ownership interest in an Initial Bond held by the Securities Depository. In determining any Beneficial Owner, the County, the Corporation, the Trustee and the Paying Agent may rely exclusively upon written representations made by and information given to the County, the Corporation, the Trustee and the Paying Agent, as the case may be, by the Securities Depository or its Participants with respect to any Initial Bond held by the Securities Depository or its Participants in which a beneficial ownership interest is claimed.

"Bond" or "Bonds" means the Series 2023 Bonds and any Additional Bonds issued and secured under the terms hereof.

"Bond Counsel" means a firm of nationally recognized bond counsel experienced in matters of tax-exempt finance as shall be acceptable to the Trustee.

"Bond Fund" means the Bond Fund established pursuant to Section 5.5 hereof.

"Bond Payment Date" means June 1 and December 1 of each year, on and after June 1, 2024, while there are any unpaid or Outstanding Bonds.

"Book-Entry Form" or "Book-Entry System" means with respect to the Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through a book-entry and (ii) physical Bonds in fully registered form are registered only in the name of a Securities Depository or its nominee as Holder, with the physical Bonds "immobilized" in the custody of the Securities Depository. The book-entry maintained by the Securities Depository is the record that identifies the owners of participatory interests in the Bonds, when subject to the Book-Entry System.

"Business Day" shall mean any day of the week other than Saturday, Sunday or a day which shall be in the State or the state in which the principal office of the Trustee is located a legal holiday or a day on which banking corporations are authorized or obligated by law or executive order to close or a day on which the New York Stock Exchange is closed.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor internal revenue laws of the United States enacted by the Congress of the United States in replacement thereof. References to the Code and sections of the Code include relevant applicable regulations, temporary regulations and proposed regulations thereunder and any successor provisions to those sections, regulations, temporary regulations or proposed regulations.

"Corporation" means Lancaster County Public Facilities Corporation, a nonprofit corporation formed under the laws of the State, and its successors and assigns.

"Corporation Representative" means the person or persons at the time designated to act on behalf of the Corporation in matters relating to the Base Lease, the Purchase and Use Agreement and this Trust Agreement as evidenced by a written certificate furnished to the County and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Corporation by its President or any Vice President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Corporation Representative.

"Council" means the County Council of the County, as the governing body of the County, and any successor body.

"Counsel" means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the County or the Corporation.

"County" means Lancaster County, South Carolina.

"County Representative" means the person or persons at the time designated to act on behalf of the County in matters relating to the Base Lease, the Purchase and Use Agreement or this Trust Agreement as evidenced by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person or persons and signed on behalf of the County by the Chairman or Vice Chairman of the Council or the County Administrator. Such certificate may designate an alternate or alternates each of whom shall be entitled to perform all duties of the County Representative.

"Custodian" shall have the meaning set forth in Section 5.2 hereof.

"Defeasance Obligations" means (a) cash; or (b) Permitted Investments that are (1) Government Obligations (provided that, with respect to Government Obligations of agencies, only securities which are fully guaranteed as to the timely payment of principal and interest by the United States of America issued by the following agencies may be eligible: (A) U.S. Export-Import Bank; direct obligations or fully guaranteed certificates of beneficial ownership, (B) Farmers Home Administration: certificates of beneficial ownership; (C) Federal Financing Bank; (D) General Services Administration: participation certificates; (E) U.S. Maritime Administration: guaranteed Title XI financing; (F) U.S. Department of Housing and Urban Development: project notes; (G) Local Authority bonds; (H) New Communities Debentures - U.S. government guaranteed debentures; or (I) U.S. Public Housing notes and bonds - U.S. government guaranteed public housing bonds), or (2) senior lien bonds or debentures issued by any Federal Home Loan Bank or consolidated bonds or debentures issued as senior obligations by the Federal Home Loan Bank Board; or (c) any legally permissible combination of any of the foregoing. Defeasance Obligations must be noncallable.

"Event of Default" means an Event of Default under Section 7.1 hereof.

"Event of Nonappropriation" shall have the meaning set forth in the Purchase and Use Agreement.

"Extraordinary Services" and "Extraordinary Expenses" means all services rendered and all reasonable expenses properly incurred by the Trustee under this Trust Agreement, other than Ordinary Services and Ordinary Expenses.

"Facilities Purchase Account" means the account of such name within the Bond Fund established pursuant to Section 5.5 hereof.

"Favorable Opinion of Bond Counsel" means, with respect to any requested action under this Trust Agreement, a written legal opinion of Bond Counsel, addressed to the Corporation, the Trustee and the County, to the effect that such action is authorized or permitted under this Trust Agreement and will not impair the exclusion of interest on the Series 2023 Bonds from gross income for purposes of federal income taxation (subject to customary exceptions).

"Federal Tax Certificate" means the Federal Tax Certificate dated the date of the initial delivery of the Series 2023 Bonds of the County and the Corporation.

"Financed Facilities" has the meaning given to such term in Section 3.19 hereof.

"Fiscal Year" shall have the meaning set forth in the Purchase and Use Agreement.

"Government Obligations" means any of the following:

(a) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America;

(b) non-callable U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – "SLGS"); and

(c) non-callable direct obligations of the U.S. Treasury which have been stripped by the U.S. Treasury; and

(d) prerefunded municipal bonds which are rated "Aaa" by Moody's or "AAA" by S&P.

"Holder" or "Holder of a Bond" or "Bondholder" means the Person in whose name a Bond is registered on the Register.

"Initial Bonds" means bonds initially issued under the Book-Entry System as provided in Section 3.18 hereof.

"Installment Payments" means the amounts required to be paid to the Corporation by the County pursuant to Sections 4.1, 4.2 and 4.4 of the Purchase and Use Agreement.

"Moody's" means Moody's Investors Service Inc., or its successors or assigns.

"Ordinary Services" and "Ordinary Expenses" means those services normally rendered, and those expenses normally incurred, by a trustee, registrar or paying agent under instruments similar to this Trust Agreement.

"Other Funds and Accounts" shall have the meaning set forth in Section 5.5(f) hereof.

"Outstanding," when used with reference to the Bonds, means, as of the applicable date, all the Bonds which have been executed and delivered, or which are being delivered by the Trustee under this Trust Agreement, except:

(a) Bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment or redemption on or prior to that date;

(b) Bonds, or the portions thereof, for the payment, redemption or purchase for cancellation of which sufficient money has been deposited and credited with the Trustee pursuant to the provisions of this Trust Agreement on or prior to that date for that purpose (whether upon or prior to the maturity date of those Bonds);

(c) Bonds or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of this Trust Agreement; and

(d) Bonds in lieu of which others have been executed and delivered under Section 3.12 of this Trust Agreement.

"Participant" means any bank, brokerage house or other financial institution for whom, from time to time, the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository.

"Paying Agent" means the Trustee acting in that capacity.

"Permitted Investments" means (a) any one or more of the investments now or hereafter permitted by applicable State law, including but not limited to Sections 6-5-10 or 11-1-60, Code of Laws of South Carolina 1976, as amended and in effect from time to time (with respect to the investment of funds of a political subdivision); and (b) the South Carolina Pooled Investment Fund or similar State administered pool investment fund or as otherwise may be limited pursuant to a Supplemental Agreement; provided, however, that for purposes of clarification, Permitted Investments may include the following securities but may also be modified in a Supplemental Agreement with respect to a particular series of Bonds:

(a) Government Obligations, which are also:

(i) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"),

(ii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America,

(iii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or

(iv) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated;

(b) Federal Housing Administration debentures;

(c) The listed obligations of government-sponsored agencies which are <u>not</u> backed by the full faith and credit of the United States of America:

(i) Federal Home Loan Mortgage Corporation (FHLMC) obligations,

(ii) Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts) - Senior Debt obligations,

(iii) Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) - Consolidated system-wide bonds and note,

(iv) Federal Home Loan Banks (FHL Banks) - Consolidated debt obligations,

(v) Federal National Mortgage Association (FNMA) Senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),

(vi) Student Loan Marketing Association (SLMA) Senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date),

(vii) Financing Corporation (FICO) - Debt obligations, and

(viii) Resolution Funding Corporation (REFCORP) - Debt obligations;

(d) Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which at the time of investment are rated "A-1" or better by S&P, including the Trustee or its affiliates;

(e) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least $5 million, including the Trustee or its affiliates;

(f) Commercial paper (having original maturities of not more than 270 days) rated (at the time of purchase) "A-1+" by S&P and "Prime-1" by Moody's;

(g) Money market funds rated (at the time of purchase) "AAm" or "AAm-G" by S&P, or better, including those offered by the Trustee or its affiliates;

(h) State Obligations;

(i) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

(i) (A) the municipal obligations are not subject to redemption prior to maturity or (B) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions,

(ii) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations,

(iii) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification"),

(iv) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligation,

(v) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification, and

(vi) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent;

(j) Repurchase agreements with (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "A-" or "A3" by S&P and Moody's; or (2) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "A-" or "A3" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated "A-" or "A3" or better by S&P and Moody's, provided that:

(i) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain, if applicable, an "A-" or"A3" rating in an "A-" or "A3"-rated (as applicable) structured financing (with a market value approach) or, if not applicable, at levels satisfactory to the Corporation;

(ii) The Trustee or a third party acting solely as agent therefor or for the Corporation (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(iii) The repurchase agreement states and an opinion of counsel is rendered at the time such collateral is delivered that, to the extent permitted by law in effect in the State, including the Uniform Commercial Code as adopted by the State (the "UCC"), the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(iv) All other requirements, if any, of S&P or Moody's (as applicable) in respect of repurchase agreements are met; and

(v) The repurchase agreement provides that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P and "A3" by Moody's, as appropriate, the provider must, at the direction of the Corporation or the Trustee, within ten days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Corporation or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (i) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P or Moody's, respectively;

(k) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline municipal bond insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P or "Aa" by Moody's; provided that, by the terms of the investment agreement:

(i) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on such Series of Bonds;

(ii) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; and the Corporation and the Trustee agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(iii) the investment agreement states that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel states that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(iv) the Corporation or the Trustee receives the opinion of domestic counsel (which opinion is addressed to the Corporation) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Corporation;

(v) the investment agreement provides that if during its term

(A) the provider's rating by either S&P or Moody's falls below "AA-" and "Aa3," as appropriate, the provider will, at its option, within ten days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable State and federal laws (other than by means of entries on the provider's books) to the Corporation, the Trustee or the Holder of the Collateral, collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

(B) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" and "A3," as appropriate, the provider must, at the direction of the Corporation or the Trustee, within ten days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Corporation or Trustee;

(vi) the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that, to the extent permitted by law in effect in the State, including the UCC, the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(vii) the investment agreement must provide that if during its term

(A) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Corporation or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Corporation or Trustee, as appropriate, and

(B) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's

obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Corporation or Trustee, as appropriate.

"Person" or words importing "persons" means firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal entities and natural persons.

"Principal Office" used with respect to the Trustee in its capacity as Trustee or Paying Agent, means the designated office of the Trustee, initially its corporate trust office located in Atlanta, Georgia, at which the Trustee conducts corporate trust business.

"Project Fund" means the account created pursuant to Section 5.2 hereof.

"Purchase and Use Agreement" means the Installment Purchase and Use Agreement dated of even date herewith, between the Corporation, as seller, and the County, as buyer, as the same may be amended, modified or supplemented from time to time.

"Purchase Option Price" shall have the meaning set forth in the Purchase and Use Agreement.

"Record Date" means either a Regular Record Date or a Special Record Date as the case may be.

"Register" means the books kept and maintained by the Trustee for registration and transfer of Bonds pursuant to Section 3.13 hereof.

"Regular Record Date" means, with respect to any Bond, the fifteenth day next preceding a Bond Payment Date applicable to such Bond.

"Repair and Replacement Fund" means the Repair and Replacement Fund established pursuant to Section 5.6 hereof.

"Reserve Account" means, with respect to a series of Additional Bonds, the account of such name, if any, within the Bond Fund established pursuant to Section 5.5 hereof.

"Reserve Requirement" means, with respect to a series of Additional Bonds, such reserve requirement set forth in the Supplemental Agreement authorizing the issuance of such series of Additional Bonds.

"Reserve Surety" shall have the meaning set forth in Section 5.5(g) hereof.

"Reserved Rights" means the Issuer's rights pursuant to Sections 4.2, 4.4 and 4.5 of the Purchase and Use Agreement, to receive indemnification and other payments and its right to receive certain notices thereunder.

"Revenues" means, with respect to the Bonds, (i) the Installment Payments under the Purchase and Use Agreement, (ii) all other moneys received or to be received by the Trustee under the Purchase and Use Agreement from the lease, sale or other disposition of the 2023 Facilities or the 2023 Real Property, (iii) any monies and investments in the Bond Fund (including the Facilities Purchase Account and the Reserve Account) and the Repair and Replacement Fund, and (iv) all income and profit from the investment of the foregoing moneys.

"S&P" means S&P Global Ratings, or its successors or assigns.

"Securities Depository" means any securities depository that is a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its Participants or otherwise, a Book-Entry System to record ownership of beneficial interests in the Bonds, and to effect transfers of the Bonds, in Book-Entry Form, and includes and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

"Securities Depository Nominee" means, with respect to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name the Bonds shall be registered on the Register during the time such Bonds are held under a Book-Entry System through such Securities Depository.

"Series 2023 Bond" or "Series 2023 Bonds" means $_____ Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023, of the Corporation, dated of even date herewith and authorized by and secured under this Trust Agreement.

"Special Record Date" means, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest on that Bond pursuant to Section 3.5 hereof.

"State" means the State of South Carolina.

“State Obligations” means:

(i) direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of such state, subdivision or agency thereof, the unsecured general obligation debt of which is rated “A3” by Moody’s and “A” by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated,

(ii) direct general short-term obligations of any state agency or subdivision or agency thereof described in (i) above and rated “A-1+” by S&P and “MIG-1” by Moody's, and

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or other subdivision or political unit thereof, rated “AA” or better by S&P and “Aa” or better by Moody's.

"Supplemental Agreement" means any agreement supplemental to this Trust Agreement entered into between the Corporation and the Trustee in accordance with Article VIII hereof.

"Trust Agreement" means this Trust Agreement dated _____, 2023, by and between the Corporation and the Trustee, as the same may be amended, modified or supplemented by any Supplemental Agreement.

"Trust Estate" means the Trust Estate described in the Granting Clauses hereto.

"Trustee" means Regions Bank, or any successor Trustee that may become the Trustee pursuant to the applicable provisions of this Trust Agreement.

"Underwriter" means Piper Sandler & Co., as underwriter of the Series 2023 Bonds.

SECTION 1.2. Interpretation. Any reference to a section or provision of the Constitution of the State, or to a section, provision or chapter of the Code of Laws of South Carolina 1976, as amended, or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this paragraph, if it constitutes in any way an impairment of the rights or obligations of the County, the Corporation, the Holders, or the Trustee under this Trust Agreement, the Bonds, the Base Lease, the Purchase and Use Agreement or any other instrument or document entered into in connection with any of the foregoing, including without limitation, any alteration of the obligation to pay principal, premium, if any, or interest on the Bonds in the amount and manner, at the times, and from the sources provided in this Trust Agreement, except as permitted herein.

Unless the context indicates otherwise, words implying the singular number include the plural number, and vice versa. The terms "hereof," "hereby," "herein," "hereto," "hereunder," "hereinafter" and similar terms refer to this Trust Agreement; and the term "hereafter" means after, and the term "heretofore" means before the date of this Trust Agreement. Words of any gender generally include the correlative words of the other gender, unless the sense indicates otherwise.

References to sections, articles or exhibits, unless otherwise indicated, are to sections and articles of or exhibits to this Trust Agreement.

SECTION 1.3. Captions and Headings. The captions and headings in this Trust Agreement are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

ARTICLE II
RECITALS AND REPRESENTATIONS

SECTION 2.1. Base Lease and Purchase and Use Agreement. The Corporation and the County are simultaneously herewith entering into (i) the Base Lease under which the County is leasing its interest in the 2023 Real Property, and is conveying its interest in the Conveyed Improvements owned by it, to the Corporation and (ii) the Purchase and Use Agreement under the terms of which the County has arranged with the Corporation for the acquisition and installation, construction and reconstruction, and for the sale to and use and occupancy by the County, of the 2023 Facilities.

SECTION 2.2. Installment Payments. Under the Purchase and Use Agreement, the County is obligated to pay to the Corporation or its assigns during the term thereof Installment Payments for the purchase of the 2023 Facilities, subject to the occurrence of an Event of Nonappropriation as set forth in Section 4.7 of the Purchase and Use Agreement, and subject to the County's right to exercise its purchase option as set forth in Section 9.1 of the Purchase and Use Agreement.

SECTION 2.3. Assignment and Conveyance.

(a) For the purpose of securing the payment of the Bonds, the Corporation has assigned, and granted a security interest in, the Trust Estate to the Trustee under the granting clauses hereto. The Corporation hereby represents and confirms that it has full legal power and authority to assign the Trust Estate as enumerated in the granting clauses hereto and that no assignment thereof has been made except to the Trustee. Notwithstanding anything in this Trust Agreement to the contrary, the Corporation shall be required to take any action required of it pursuant to the Purchase and Use Agreement, the Base Lease

and any other contracts or agreements for which the Corporation's rights thereunder have been assigned to the Trustee as part of the Trust Estate, unless the Trustee is acting on behalf of the Corporation pursuant such assignment.

(b) The Corporation and the Trustee intend for this Trust Agreement to be a security agreement within the meaning of the Uniform Commercial Code as adopted by the State (the "UCC"). The intent of the Corporation is to provide to the Trustee, to the fullest extent that the Trust Estate now or hereafter may be subject to a security interest under the UCC, the security interest in the Trust Estate including all presently-owned, or after-acquired property constituting all or a portion of the Trust Estate. The Corporation agrees to prepare, execute (as applicable) and file all initial financing statements necessary to perfect this security interest or other statutory liens held by the Trustee, to the extent required by applicable law. The Trustee shall prepare and file any restatements, extensions, continuations, renewals or amendments thereof, in such form as the Trustee may require to continue the perfection of this security interest or other statutory liens held by the Trustee, to the extent required by applicable law, and to the extent the pertinent facts necessitating any such restatements, extensions, continuations, renewals or amendments thereof are known to a responsible office of the Trustee, and the Trustee shall provide copies of any such restatements, extensions, continuations, renewals or amendments so filed to the Corporation. With respect to any of the Trust Estate in which a security interest is not perfected by the filing of a financing statement, the Corporation consents and agrees to undertake, and the Trustee agrees to cooperate fully with the Corporation, to perfect the security interest granted to the Trustee in the Trust Estate. During the term of the Purchase and Use Agreement, the Trustee may exclusively rely on the County to operate the 2023 Facilities and the 2023 Real Property in accordance with all laws, ordinances, rules and regulations, including without limitation, Environmental Laws (as defined in the Purchase and Use Agreement).

(c) The Corporation and the Trustee intend for this Trust Agreement to be a collateral assignment of all rents, leases, issues and profits created by, or arising out of any right, title or interest of the Corporation in the Trust Estate, including without limitation, all leases, rents, issues, and profits arising out of the Base Lease, the Purchase and Use Agreement, and any future lease or leases now or hereinafter entered into by the Corporation.

SECTION 2.4. Powers and Trusts Granted. All acts, conditions and things required by law to exist, happen and be performed precedent to and in connection with the execution and entering into of this Trust Agreement have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Trust Agreement.

SECTION 2.5. Other Security Documents. The Corporation shall cause this Trust Agreement (or an assignment agreement of the Corporation in favor of the Trustee, in lieu hereof) and any financing statements relating hereto, to be filed, in such manner and at such places as may be required by law fully to protect the security of the Holders of the Bonds and the right, title and interest of the Trustee in and to the 2023 Facilities, the 2023 Real Property and the Trust Estate created by this Trust Agreement or any part thereof. The Corporation will cause the Base Lease, the Purchase and Use Agreement and any related instruments or documents, to be recorded and filed in the manner and in the places which may be required by law in order to preserve and protect fully the security of the Holders and the rights of the Trustee hereunder. The Corporation shall execute or cause to be executed any and all further instruments as may be necessary for such protection of the interests of the Holders of the Bonds until the principal of and interest of the Bonds issued hereunder shall have been paid. The Trustee shall execute or join in the execution of any such further or additional instrument and file or join in the filing thereof at such time or times and in such place or places as may be requested by the Corporation in

writing to perfect and to preserve the Trust Estate created by this Trust Agreement or any part thereof until the Bonds shall have been paid or discharged in the manner hereinafter provided.

ARTICLE III
AUTHORIZATION AND TERMS OF BONDS

SECTION 3.1. Principal Amount of Bonds; Designation of Bonds; Conditions to Delivery.

(a) Pursuant to the provisions of this Trust Agreement, there are hereby authorized to be issued one or more series of revenue bonds of the Corporation. Upon the execution and delivery hereof, there are hereby authorized an initial series of Bonds in the aggregate principal amount of $_____ to be designated "Lancaster County Public Facilities Corporation, Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023." Any Additional Bonds shall be designated "Lancaster County Public Facilities Corporation, Installment Purchase Revenue Bonds (Lancaster County Project)" with such further and other designation as may be necessary to identify such series of Additional Bonds.

(b) Upon the execution and delivery of this Trust Agreement, and satisfaction of the conditions established by this Trust Agreement and the Purchase and Use Agreement for delivery of the Series 2023 Bonds, the Corporation shall execute and the Trustee shall authenticate and deliver the Series 2023 Bonds to, or to the order of, the Underwriter.

(c) Before the Trustee authenticates and delivers any of the Series 2023 Bonds, the Trustee shall have received a request and authorization from the County and the Corporation, signed on their behalf by a County Representative and a Corporation Representative, respectively, to authenticate and deliver the Series 2023 Bonds to, or on the order of, the Underwriter upon payment to the Trustee of the amount specified therein, which amount shall be deposited as provided in Section 5.1 hereof. Executed copies of the following shall be submitted with the request:

(i) This Trust Agreement;

(ii) The Base Lease;

(iii) The Purchase and Use Agreement; and

(iv) The Federal Tax Certificate.

(d) The Bonds and the interest thereon and redemption premium, if any, shall be an obligation of the Corporation, and shall be secured by and payable from the Trust Estate. The Bonds do not and shall not be deemed to constitute or create an indebtedness, liability or obligation of the County within the meaning of any State constitutional provision or statutory limitation or a pledge of the full faith and credit or taxing power of the County. The Bonds and the interest thereon are payable from and secured by the Trust Estate as described in and subject to limitations set forth in this Trust Agreement for the equal and ratable benefit of the Holders, from time to time, of the Bonds.

SECTION 3.2. Purposes. The Series 2023 Bonds are authorized for the principal purposes of defraying a portion of the cost of acquisition, construction, renovation and equipping of the 2023 Projects, paying the Base Lease Rent for use by the County to defray the costs of the Ancillary Projects, nd paying certain costs and expenses relating to the issuance of the Series 2023 Bonds.

SECTION 3.3. Maturity Schedule; Date; Interest Rates. The Series 2023 Bonds shall mature on December 1 in the years and principal amounts set forth below and shall bear interest (calculated on the basis of a 360-day year consisting of twelve 30-day months) at the interest rates per annum set forth below, payable on each Bond Payment Date.

Year	Principal Amount	Interest Rate	Year	Principal Amount	Interest Rate

SECTION 3.4. Provisions Relating to Additional Bonds; Conditions for Issuance.

(a) Authorization for Additional Bonds. Additional Bonds may be issued hereunder and secured by the Trust Estate on a parity with the Series 2023 Bonds under the conditions set forth herein.

(b) Purposes for Additional Bonds. Subject to the provisions of applicable law, Additional Bonds may be issued for the purposes of providing funds (i) to refund any of the Series 2023 Bonds or any Additional Bonds theretofore issued, (ii) for the purpose of paying the cost of completing the 2023 Projects or the Ancillary Projects and (iii) for the purpose of paying the cost of Additional Facilities or Additional Ancillary Projects.

(c) Conditions to the Issuance of All Additional Bonds. Prior to issuing any Additional Bonds, there shall have been executed and delivered (i) a Supplemental Agreement authorizing such Additional Bonds and prescribing the terms and details thereof and the purposes for the issuance of such Additional Bonds; (ii) an amendment or supplement to the Purchase and Use Agreement modifying the existing schedule of Installment Payments due thereunder or otherwise providing for Installment Payments thereunder sufficient to provide for the payment of the Additional Bonds, extending the term of the Purchase and Use Agreement, if needed, to the final maturity of such Additional Bonds, and making any changes required to make Additional Real Property subject thereto; (iii) an amendment or supplement to the Base Lease extending the term thereof by at least the same amount of time as any extension to the term of the Purchase and Use Agreement, and making any changes required to make Additional Real Property subject thereto; and (iv) a Favorable Opinion of Bond Counsel. There shall also be provided to the Trustee certified copies of resolutions adopted by the Board of Directors of the Corporation and an ordinance enacted by the Council authorizing the issuance of the Additional Bonds and the execution and delivery of the documents to which each is a party. No Additional Bonds may be issued hereunder if at the time there is an Event of Default or an Event of Nonappropriation unless upon the issuance of such Additional Bonds, no other Bonds will be Outstanding hereunder.

(d) Other Provisions Relating to Additional Bonds. The details of any Additional Bonds, including any Reserve Requirement relating thereto and the payment provisions thereof shall be specified in the Supplemental Agreement hereto providing for the issuance thereof. Such Supplemental Agreement

shall include provisions establishing the separate accounts and subaccounts of the Bond Fund and other funds and accounts for such series of Additional Bonds.

SECTION 3.5. Payment of Principal and Interest.

(a) Each of the Series 2023 Bonds shall be authenticated, as provided in Section 3.10 hereof, on such date as it shall be delivered and shall bear interest from the later of the date hereof, or the date to which interest has been paid immediately preceding the authentication date thereof, unless the authentication date thereof is a Bond Payment Date, in which event, each such Series 2023 Bonds shall bear interest from the earlier of such authentication date or the date to which interest has been paid or, in the event no interest has been paid, from the date hereof. Additional Bonds shall be authenticated and bear interest as provided in the Supplemental Agreement prescribing the terms and conditions thereof.

(b) Subject to the provisions of Section 3.18 hereof, the principal of and premium, if any, on the Bonds shall be paid in immediately available funds by check or draft drawn upon the Trustee to the Holders thereof upon presentation and surrender thereof when due at the designated corporate trust office of the Trustee; provided, that any Holder in an aggregate principal amount of not less than $1,000,000 may, by prior written instructions filed with the Trustee prior to the close of business on the applicable Record Date (which instructions shall remain in effect until revoked by subsequent written instructions), request that principal and premium payments be made by wire transfer or other means acceptable to the Trustee to an account in the continental United States. Subject to the provisions of Section 3.18 hereof, the interest on the Bonds shall be paid by check or draft drawn upon the Trustee and mailed to the Holders in whose names the Bonds are registered on the Record Date; provided that any Holder in an aggregate principal amount of not less than $1,000,000 may, by prior written instructions filed with the Trustee prior to the close of business on the applicable Record Date (which instructions shall remain in effect until revoked by subsequent written instructions), request that interest payments for any period be made by wire transfer or other means acceptable to the Trustee to an account in the continental United States.

(c) Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any Bond Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Owner of such Bond on the relevant Regular Record Date by virtue of having been such Owner. The Trustee may elect to make payment of any Defaulted Interest to the persons in whose names such Bonds (or their respective predecessor Bonds) are registered at the close of business on a Special Record Date (as defined below) for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Trustee shall determine the amount of Defaulted Interest proposed to be paid on each such Bond and the date of the proposed payment, shall fix a date (a "Special Record Date") for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment, and shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed first class, postage prepaid, to each Owner not less than five days prior to such Special Record Date at his address as it appears on the Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names such Bonds (or their respective predecessor Bonds) are registered on such Special Record Date.

SECTION 3.6. Denomination; Numbering. The Series 2023 Bonds shall be issued in denominations of $5,000 or any integral multiple thereof. The Series 2023 Bonds shall be numbered by the Trustee consecutively from 1 upward, preceded by the letter "R". Additional Bonds shall be in such denominations and be numbered in the manner provided in the Supplemental Agreement providing therefor.

SECTION 3.7. Paying Agent. As long as there is any Outstanding Bond under this Trust Agreement, the Corporation shall cause the Trustee to serve as Paying Agent therefor. Notices and demands to or upon the Trustee and the Corporation in respect of the Bonds may be served, at the designated corporate trust office of the Trustee. The Bonds shall be presented for registration of transfers and exchanges in accordance with the provisions of this Trust Agreement at the designated corporate trust office of the Trustee.

SECTION 3.8. Form of Bonds. The Series 2023 Bonds, together with the certificate of authentication and assignment to appear thereon, shall be in substantially the form attached hereto as Exhibit A with necessary and appropriate variations, omissions and insertions as permitted or required by this Trust Agreement. Additional Bonds shall be in such form as is provided in the Supplemental Agreement pursuant to which such Additional Bonds are issued.

SECTION 3.9. Execution of Bonds. The Bonds shall be executed in the name of and on behalf of the President or Vice President of the Corporation and the same shall be attested by the Secretary of the Corporation or such other officer as may be designated by the Board of Directors of the Corporation. Such officers may employ facsimiles of their signatures. In case any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond such signatures or such facsimiles shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office.

SECTION 3.10. Authentication. Only such Bonds as shall have endorsed thereon a certificate of authentication duly executed by the Trustee shall be entitled to any right or benefit under this Trust Agreement. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Trust Agreement. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by any authorized signatory of the Trustee.

SECTION 3.11. Medium of Payment. The Bonds shall be payable with respect to principal, interest and premium, if any, in lawful money of the United States of America.

SECTION 3.12. Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Corporation may execute and the Trustee may authenticate a new Bond of like date, maturity and denomination as that mutilated, lost, stolen or destroyed Bond; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Corporation and to the Trustee evidence of such loss, theft or destruction satisfactory to the Corporation and the Trustee together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a duplicate Bond, the Corporation may pay the same. The Corporation and the Trustee may charge the Holder of such Bond with their reasonable fees and expenses in this connection.

SECTION 3.13. Transfer and Registration; Persons Treated as Owners.

(a) As long as there shall be any Outstanding Bonds, the Corporation shall cause books for the registration and transfer of Bonds to be kept which books constitute the Register. The Register shall be kept by the Trustee at its designated corporate trust office. The transfer of each Bond may be registered only upon the Register kept by the Trustee for that purpose by the Holder thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee, duly executed by the Holder or his duly authorized attorney. Upon the registration of transfer of any Bond, the Trustee will authenticate and deliver, subject to the provisions of Section 3.15 hereof, in the name of the transferee, a new Bond or Bonds of the same series, maturity, interest rate and aggregate principal amount as the surrendered Bond.

(b) The Corporation and the Trustee may deem and treat the person in whose name any Bond shall be registered upon the Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or, upon his order, shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Corporation nor the Trustee shall be affected by any notice to the contrary.

SECTION 3.14. Interchangeability of Bonds. Bonds, upon surrender thereof at the designated corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Holder or his duly authorized attorney, may, at the option of the Holder and upon payment by such Holder of any charges made pursuant to Section 3.15 hereof; be exchanged for an equal aggregate principal amount of Bonds of any other authorized denominations.

SECTION 3.15. Regulations With Respect to Exchanges and Transfer. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Corporation shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Trust Agreement. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled and destroyed and shall not be reissued. All Bonds so destroyed shall thereafter no longer be considered Outstanding Bonds for any purposes of this Trust Agreement. There shall be no charge to the Holder for such exchange or transfer of Bonds except that the Trustee may make a charge sufficient to reimburse itself for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the Corporation nor the Trustee shall be required to issue, exchange or transfer (i) any Bond during the 15 days immediately preceding any Bond Payment Date, (ii) any Bond during a period beginning at the opening of business 15 days immediately preceding any selection of Bonds to be redeemed and ending at the close of business on the date of the mailing of notice of such redemption or (iii) any Bonds called for redemption in whole or in part.

SECTION 3.16. Cancellation and Destruction of Mutilated, Paid or Surrendered Bonds. Upon the surrender of mutilated Bonds pursuant to Section 3.12 hereof or Bonds paid or surrendered, the same shall be cancelled and destroyed and shall not be reissued. The Trustee shall cancel and destroy any Bond certificates it has received in accordance with retention policy in effect at the time, and a counterpart of the certificate evidencing such destruction (or other evidence satisfactory to the Corporation) shall be furnished by the Trustee to the Corporation. All Bonds so destroyed shall thereafter no longer be considered Outstanding Bonds for any purposes of this Trust Agreement.

SECTION 3.17. [Reserved]

SECTION 3.18. Book-Entry System. Notwithstanding anything to the contrary herein, so long as any series of the Bonds are being held under a Book-Entry System pursuant to this Section 3.18, payment of principal and premium (if any) of and interest on such Bonds and transfers of beneficial ownership of such Bonds will be effected pursuant to rules and procedures established by the Securities Depository. The Series 2023 Bonds shall be initially issued under a Book-Entry System and shall be held thereunder except as provided in this Section 3.18. The Series 2023 Bonds shall be initially issued in the form of a separate, authenticated, fully registered Series 2023 Bond for each maturity and interest rate in a principal amount equal to the amount of such maturity and interest rate, and shall be registered on the Register in the name of the Securities Depository Nominee. So long as the Book-Entry System is in effect, the Securities Depository Nominee will be recognized as the Holder of the Series 2023 Bonds for the purposes of (i) paying the principal of, premium, if any, or interest on the Series 2023 Bonds, (ii) selecting the Series 2023 Bonds or portions thereof to be redeemed, (iii) giving any notice permitted or required to be given to Holders under this Trust Agreement, (iv) registering the transfer of Series 2023 Bonds, and (v) requesting any consent or other action to be taken by the Holders, and for all other purposes whatsoever, and neither the Trustee nor the Corporation shall be affected by any notice to the contrary. Neither the Trustee nor the Corporation shall have any responsibility or obligation to any Participant, any beneficial owner of Series 2023 Bonds or any other person claiming a beneficial ownership interest in the Series 2023 Bonds under or through the Securities Depository or any Participant, or any other person which is not shown on the Register as being a Holder of Series 2023 Bonds with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant, (ii) the payment to the Securities Depository, any Participant or any beneficial owner of Series 2023 Bonds of any amount in respect of the principal of, premium, if any, or interest on the Bonds, (iii) any notice which is permitted or required to be given to Holders under this Trust Agreement, (iv) the selection by the Securities Depository or any Participant or any other person to receive payment in the event of a partial redemption of the Series 2023 Bonds or (v) any other action taken by the Securities Depository as Holder of the Series 2023 Bonds. So long as the Book-Entry System is in effect, the Trustee shall pay all principal of and premium, if any, and interest on the Series 2023 Bonds only to the Securities Depository or the Securities Depository Nominee, as the case may be, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal of and premium, if any, and interest on the Series 2023 Bonds to the extent of the sum or sums so paid.

In the event that the Corporation determines that it is in the best interest of the Corporation not to continue the Book-Entry System or that the interest of the beneficial owners of the Series 2023 Bonds may be adversely affected if the Book-Entry System is continued, then the Corporation shall notify the Securities Depository and the Trustee of such determination and the Securities Depository shall immediately notify the Participants of the availability, through the Securities Depository, of physical Series 2023 Bonds. In such event, the Corporation shall execute and the Trustee shall authenticate, register and deliver physical Series 2023 Bonds as requested by the Securities Depository or any Participant or beneficial owner of Series 2023 Bonds in appropriate authorized denominations in exchange for the Series 2023 Bonds registered in the name of Securities Depository Nominee. The Securities Depository may determine to discontinue providing its services as such with respect to the Series 2023 Bonds at any time by giving notice to the Corporation and the Trustee and discharging its responsibilities with respect thereto under applicable laws or the Corporation may determine that the Securities Depository is incapable of discharging its duties as such and may so notify the Securities Depository. In either such event, the Corporation shall either (i) engage the services of another Securities Depository or (ii) deliver physical Series 2023 Bonds in the manner described above; provided, however, that the discontinuation of the Book Entry System of registration and transfer with respect to the Series 2023 Bonds or the replacement of the Securities Depository or any successor depository shall be subject to the applicable rules and procedures of the Securities Depository or such successor depository on file or otherwise approved by the Securities and Exchange Commission.

Notwithstanding any other provision of this Trust Agreement to the contrary, so long as the Series 2023 Bonds are registered in the name of Cede & Co., as Securities Depository Nominee, all payments with respect to the principal of, premium, if any, and interest on the Bonds and all notices with respect to the Series 2023 Bonds shall be made and given, respectively, to The Depository Trust Company, New York, New York, as provided in the Blanket Letter of Representations of the Corporation dated January 19, 2009.

In connection with any notice or other communication to be provided to the Holders by the Corporation or the Trustee with respect to any consent or other action to be taken by the Holders, the Corporation or the Trustee, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository notice of such record date not less than 15 days in advance of such record date to the extent possible.

SECTION 3.19. Tax Covenants of Corporation. The Corporation will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the exclusion from gross income for federal income tax purposes of the interest evidenced by or paid on the Series 2023 Bonds and, if it should take or permit, or omit to take or cause to be taken, any such action, the Corporation will take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly on having knowledge thereof. The Corporation acknowledges that the continued exclusion of interest evidenced by or paid on the Series 2023 Bonds from a Holder's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. To that end, the Corporation covenants that it will comply with the Federal Tax Certificate dated of even date herewith, of the Corporation and the County (the "Federal Tax Certificate"), relating to the Series 2023 Bonds.

The Corporation acknowledges that the Series 2023 Bonds are being issued by the Corporation, acting on behalf of the County, within the meaning of Revenue Ruling 63-20, 1963-1 C.B. 24 ("Revenue Ruling 63-20") and Treasury Regulation Section 1.103-1(b), and covenants to comply with all provisions of Revenue Ruling 63-20 and all of the applicable provisions of Revenue Procedure 82-26, 1982-1 C.B. 476 ("Revenue Procedure 82-26"). For purposes of this Section 3.19, "Financed Facilities" means the assets financed or refinanced with the Series 2023 Bonds (which, without limiting the foregoing, includes the 2023 Facilities and the Ancillary Projects). The Corporation therefore represents, warrants and covenants as follows:

(a) The Corporation is organized under the general nonprofit laws of the State as a nonprofit organization, the articles of incorporation of the Corporation provide that the Corporation is not organized for profit. The activities and purposes of the Corporation are those permitted under the general nonprofit corporation laws of the State, the Corporation will engage only in activities and for purposes that are permitted under the general nonprofit corporation laws of the State and the Financed Facilities are located entirely within the geographic boundaries of the County.

(b) The articles of incorporation of the Corporation provide that income of the Corporation will not inure to any private person. In fact, income of the Corporation does not inure to any private person, and upon dissolution of the Corporation, the Corporation's net assets shall be distributed to the County. The Corporation shall not amend or modify its articles of incorporation or bylaws to modify any of its stated purposes or activities, or with respect to any other provision, without the advice of Bond Counsel.

(c) Prior to a termination (if any) of the Purchase and Use Agreement pursuant to Section 2.2 thereof which gives rise to a partition of the 2023 Facilities pursuant to Section 2.4 thereof, the County shall have exclusive beneficial possession and use of the Financed Facilities, including any improvements and additions thereto, equivalent to at least 95% of the fair rental value of the Financed Facilities for the

term of the Series 2023 Bonds, including any other obligations issued by the Corporation either to make improvements to the Financed Facilities or to refund a prior issue of the Corporation's obligations related to the Financed Facilities.

(d) The County presently has or shall obtain fully unencumbered fee simple title, subject to Permitted Encumbrances, to the Financed Facilities no later than such time as the Series 2023 Bonds are discharged. For purposes of this paragraph and the definition of "Base Lease Term" as such term is defined in the Base Lease, the Series 2023 Bonds will be discharged when (i) cash is available at the place of payment on the date that the Series 2023 Bonds are due (whether at maturity or upon prior call for redemption) and (ii) interest ceases to accrue on the Series 2023 Bonds. Upon discharge of the Series 2023 Bonds the Corporation will convey to the County such fee simple title and exclusive possession and use of the Financed Facilities, including any additions thereto (to the extent the County does not already have such title, possession and use), without demand or further action on its part. In this regard, all leases, management contracts and similar encumbrances (other than Permitted Encumbrances), if any, relating to the Financed Facilities shall terminate upon discharge of the Series 2023 Bonds.

(e) While the Purchase and Use Agreement is in effect, in the event the Corporation defaults in its payments under the Series 2023 Bonds, the County has the exclusive option to purchase the 2023 Facilities and any additions thereto (to the extent the County does not already have title to, possession and use thereof) for the amount of the Outstanding Series 2023 Bonds and accrued interest to the date of default. The County must, if at all, exercise its option not more than 90 days from the date it is notified by the Corporation (or the Trustee on behalf of the Corporation) of such default and, if elected, must have 90 days from the date of exercise of such option to purchase such property.

(f) All of the original proceeds of the Series 2023 Bonds shall be used to provide tangible real and tangible personal property. Proceeds are considered to provide tangible property only if the proceeds are (i) used to finance costs that a taxpayer must charge to the property's capital account, may elect to charge to the property's capital account instead of deducting, or may elect to deduct instead of charging to the property's capital account and (ii) used to fund a reasonably required reserve fund for the Series 2023 Bonds within the meaning of Revenue Procedure 82-26. The preceding sentence does not apply to a de minimis amount, less than $5,000, that is included in the Series 2023 Bonds solely for the purpose of rounding the dollar amount of the issue. If excess proceeds remain on hand after the completion of construction or reconstruction of the Financed Facilities, the requirements of this paragraph will be considered met if (i) the face amount of the Series 2023 Bonds (taking into account estimated investment proceeds) was based on reasonable estimates of the cost of the Financed Facilities at the time the Series 2023 Bonds were issued, and the excess proceeds are used and invested in the manner described in Section 3.052 of Revenue Procedure 82-26. For purposes of this paragraph, "original proceeds" are amounts (after payment of all expenses of issuing the Series 2023 Bonds) received at any time as a result of the sale of the Series 2023 Bonds and "investment proceeds" are amounts (net of administrative costs) that result from the investment of any proceeds of the Series 2023 Bonds. However, investment proceeds do not include amounts earned after the date that (i) construction, reconstruction or acquisition of the Financed Facilities is completed, or (ii) all of the proceeds (less amounts used to fund a reasonably required reserve fund) have been spent on the construction, reconstruction or acquisition of the Financed Facilities, whichever occurs later.

(g) The Council enacted an ordinance on _____, which date is within one year prior to the issue date of the Series 2023 Bonds, approving the purposes and activities of the Corporation, the 2023 Projects and the Ancillary Projects and the issuance of the Series 2023 Bonds by the Corporation for the purposes of financing the costs of the 2023 Projects and the Ancillary Projects, and stating that the County will accept title to the Financed Facilities, including any additions or improvements thereto (to the

extent the County does not already have title to, possession and use thereof), no later than such time as the Series 2023 Bonds are discharged.

(h) The proceeds of fire or other casualty insurance policies received in connection with the damage or destruction to the Financed Facilities, including any improvements, will be used, subject to the provisions of Section 4.1(b)(1) of this Trust Agreement regarding special optional redemption of the Series 2023 Bonds, to rebuild the Financed Facilities (as applicable) or to redeem the Series 2023 Bonds or, if all of the Series 2023 Bonds have been paid or defeased under this Trust Agreement, will be remitted to the County.

(i) In the event of any division of the 2023 Facilities pursuant to Section 2.4 of the Purchase and Use Agreement, the Corporation agrees that, unless (i) it obtains an opinion of Bond Counsel to the effect that such action is unnecessary to preserve the exclusion from gross income of interest on any Series 2023 Bonds, or (ii) the Corporation or the Trustee is directed by the owners of a majority of the beneficial ownership interests of the Series 2023 Bonds, it will timely undertake to satisfy the requirements of the Code and the Treasury Regulations relating to a change in use of the 2023 Facilities. Regulations governing such remedial action are now contained in Section 1.141-12 of the Treasury Regulations.

ARTICLE IV
REDEMPTION OR PURCHASE OF BONDS

SECTION 4.1. Redemption of Bonds.

(a) Optional Redemption of Series 2023 Bonds. In the event the County exercises its option pursuant to Section 9.1 of the Purchase and Use Agreement to purchase the Corporation's interest in the 2023 Facilities and pay the amount required to defease and redeem the Series 2023 Bonds or to prepay Base Payments or in the event the County makes a voluntary prepayment under Section 4.3 of the Purchase and Use Agreement, the Series 2023 Bonds may be redeemed by the Corporation in whole or in part at any time on and after December 1, ____, at a redemption price equal to 100% of the principal amount of the Series 2023 Bonds to be redeemed plus accrued interest to the redemption date.

The Series 2023 Bonds shall be redeemed in accordance with this paragraph (a) only by written notice from the County or the Corporation to the Trustee of the redemption of the Series 2023 Bonds and directing the Trustee to give notice thereof to the Holders in accordance with Section 4.2 hereof. Such notice shall specify the redemption date on which the Series 2023 Bonds are to be redeemed, and shall be given to the Trustee at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. Prior to the giving of notice by the Trustee to the Holders as provided in Section 4.2 hereof, there shall be deposited with the Trustee funds which, in addition to any other moneys available therefor and held by the Trustee, will be sufficient to redeem at the redemption price thereof all of the redeemable Series 2023 Bonds for which notice of redemption has been given; provided that the Trustee may accept such other assurance from the County or the Corporation as it deems appropriate as to the availability of such funds or may condition any such notice on the receipt of funds at or prior to the date set for redemption.

(b) Special Optional Redemption of Series 2023 Bonds. (1) In the event the County elects to prepay Installment Payments pursuant to the provisions of Section 7.3 of the Purchase and Use Agreement, the Series 2023 Bonds shall be subject to redemption in whole or in part on any date (as selected by the Trustee at the direction of the Corporation), at a price equal to 100% of the principal amount of the Series 2023 Bonds so redeemed, without premium, plus accrued interest to the date of redemption.

(2) The Series 2023 Bonds shall be redeemed in accordance with this paragraph (b) only by written notice from the County or the Corporation to the Trustee of the redemption of the Series 2023 Bonds and directing the Trustee to give notice thereof to the Holders in accordance with Section 4.2 hereof. Such notice shall specify the redemption date on which the Series 2023 Bonds are to be redeemed, and shall be given to the Trustee at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. Prior to the giving of notice by the Trustee to the Holders as provided in Section 4.2 hereof, there shall be deposited with the Trustee funds which, in addition to any other moneys available therefor and held by the Trustee, will be sufficient to redeem at the redemption price thereof all of the redeemable Series 2023 Bonds for which notice of redemption has been given; provided that the Trustee may accept such other assurance from the County or the Corporation as it deems appropriate as to the availability of such funds or may condition any such notice on the receipt of funds at or prior to the date set for redemption.

(c) Partial Redemption of Series 2023 Bonds. If less than all of the Series 2023 Bonds are called for redemption, the Series 2023 Bonds to be redeemed will be selected in the manner that the Corporation shall determine as set forth in a certificate of the Corporation filed with the Trustee. If less than all Series 2023 Bonds of any one maturity and interest rate are called for redemption, the Trustee shall select the Series 2023 Bonds to be redeemed randomly, each $5,000 portion of the principal being counted as one Series 2023 Bond for this purpose; provided, however, that so long as the only registered owner of the Series 2023 Bonds is Cede & Co., such selection shall be made by DTC.

(d) Redemption of Additional Bonds. Provisions relating to the circumstances upon which Bonds other than Series 2023 Bonds may be redeemed shall be as set forth in the Supplemental Agreement providing for the issuance thereof.

SECTION 4.2. Notice of Redemption. Notice of redemption of the Bonds may only be given if funds for such redemption are irrevocably deposited with the Trustee prior to rendering notice of redemption to the Bondholders, or in the alternative, the notice given by the Trustee to Bondholders expressly states that such redemption is conditioned upon the deposit of funds sufficient for the redemption by the Corporation and that failing such deposit no redemption shall take place. The notice of the call for redemption of Bonds shall identify (i) the CUSIP number or numbers, if any, of the Bonds to be redeemed; (ii) the numbers assigned to such Bonds, and in the case of Bonds called in part only, the amounts being redeemed; (iii) the date of the notice; (iv) the redemption date; (v) the redemption price; (vi) the address of the Trustee where such Bonds are to be presented, with the name and telephone number of a contact person, if available; (vii) the issue date of the Bonds; and (viii) the maturity date of the Bonds being redeemed. Notice shall be given by the Trustee by first class mail, postage prepaid, at least 30 days, but not more than 60 days, prior to the date fixed for redemption to the Holder of each Bond subject to redemption at the Holder's address shown on the Register on the 15th day preceding that mailing; provided such notice shall be given by facsimile or by certified or registered mail, return receipt requested to each person who holds Bonds in the aggregate principal amount of not less than $100,000.

Failure to receive any notice by mailing or otherwise or any defect in such notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of any other Bond.

SECTION 4.3. Payment of Redeemed Bonds. Notice having been mailed, the Bonds called for redemption shall become due and payable on the redemption date, and upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price plus interest accrued to the redemption date.

If money for the redemption of all of the Bonds to be redeemed is held by the Trustee on the redemption date so as to be available therefor on that date, and if notice of redemption has been deposited

in the mail as aforesaid, then from and after the redemption date those Bonds called for redemption shall no longer be entitled to payment of any sum other than the redemption price.

All moneys deposited in the Bond Fund and held by the Trustee for the redemption of particular Bonds shall be held in trust for the account of the Holders thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds.

SECTION 4.4. Purchase of Bonds. At the written direction of the County, the Trustee shall, if and to the extent practicable, attempt to purchase Bonds at such time, in such manner and at such price, not to exceed the then applicable redemption price (or if no redemption is then permitted, the price at which such Bonds may first be redeemed or paid at maturity) for such Bonds, as may be specified by the County (or the Authorized Financial Representative on its behalf). The Trustee may purchase Bonds with any amounts provided to it by the County pursuant to Section 4.3 of the Purchase and Use Agreement or otherwise deposited to the applicable Facilities Purchase Account of the Bond Fund, provided that all regularly scheduled payments on the Bonds then due and payable have first been satisfied. Any accrued interest due to the holder of any Bond so purchased may be paid from funds held by the Trustee for the payment of interest due on such Bonds on the next ensuing Bond Payment Date. Unless directed otherwise by the County (or the Authorized Financial Representative on its behalf), the Trustee shall cancel any such Bonds so purchased. Prior to effecting any purchase hereunder, the Trustee shall be entitled to receive, upon request, a Favorable Opinion of Bond Counsel.

ARTICLE V
PROVISIONS AS TO FUNDS AND PAYMENTS

SECTION 5.1. Deposit of Money. In order to assure that the Base Lease Rent and the costs of the 2023 Projects and the Ancillary Projects will be paid without delay and that the 2023 Facilities will be available for purchase and occupancy by the County without delay, there shall be deposited with the Trustee the proceeds received from the sale of the Series 2023 Bonds, representing the principal amount of the Series 2023 Bonds, plus net original issue premium, if any, and less Underwriter's discount (e.g., $_____), into the Project Fund.

SECTION 5.2. Creation of Project Fund. There is hereby created as a separate account in the custody of the Trustee or another bank, depository or trust company (each, a "Custodian") a trust fund designated as the "Project Fund." Pending disbursement pursuant to this Trust Agreement, the proceeds of the sale of the Series 2023 Bonds deposited in the Project Fund pursuant to Section 5.1 hereof, together with any other moneys and Permitted Investments held to the credit thereof, shall be held as security for the payment of the Series 2023 Bonds.

SECTION 5.3. Disbursements From and Records of Project Fund.

(a) Moneys in the Project Fund shall be disbursed for the costs of the 2023 Projects, the initial payment of the Base Lease Rent, and for the payment of issuance costs of the Series 2023 Bonds, all in accordance with the provisions of this Section 5.3. The Trustee or the Custodian, as applicable, shall cause to be kept and maintained adequate records pertaining to the Project Fund and all investments and disbursements of moneys in the Project Fund. After the 2023 Projects and the Ancillary Projects have been substantially completed and a final requisition is filed with the Trustee or the Custodian, as applicable, in accordance with Section 3.4 of the Purchase and Use Agreement, the Trustee or the Custodian, as applicable, shall retain copies of the records pertaining to the Project Fund and disbursements therefrom for inspection upon request of the Corporation or the County.

(b) All disbursements from the Project Fund, except those pertaining to the initial payment of the Base Lease Rent as provided in subsection (d) below, shall be made by the Trustee or Custodian, as applicable, upon the receipt of a requisition in substantially the form set forth in Exhibit B hereto signed by a Corporation Representative and a County Representative. The Trustee or Custodian, as applicable, shall be entitled to rely on each requisition as conclusive evidence of the County's compliance with the procedure described herein. The Trustee shall have no duty to review or investigate the accuracy of the requisition for other than the form and format.

Disbursements from the Project Fund pertaining to payment of costs of issuance of the Series 2023 Bonds and the Base Lease Rent shall be made by the Trustee or Custodian, as applicable, upon written direction of the Corporation, together with an invoice or other evidence of the amounts payable thereunder.

(c) Upon the substantial completion of the 2023 Projects and the Ancillary Projects (funded pursuant to subsection (d) hereof), the Corporation shall submit to the Trustee or Custodian, as applicable, a final requisition in substantially the form set forth in Exhibit C hereto signed by a Corporation Representative and a County Representative in the total amount remaining owing for costs of the 2023 Projects, including all applicable retainages. Upon the receipt of the final requisition, the Trustee or Custodian, as applicable, shall promptly disburse the amounts requested therein.

(d) The Trustee is authorized to pay to or at the direction of the County from time to time the aggregate sum of not exceeding $_____ as an initial payment of Base Lease Rent under the Base Lease at such times as it receives a written request therefor from a County Representative. The County certifies that all amounts received by it pursuant to this Section 5.3(d) and all "investment proceeds" thereon (net of administrative costs) shall be used to provide tangible real and tangible personal property consistent with the provisions of Section 3.19(g) hereof will be applied to pay the costs of the Ancillary Projects. The only source of payment of such portion of Base Lease Rent shall be amounts in the Project Fund. If the County delivers written notice to the Trustee stating that less than all of the initial payment of the Base Lease Rent was applied to the payment of the Ancillary Projects, such remaining amounts shall be applied for the payment of costs of the 2023 Projects pursuant to the procedures specified in subsection (b) above, and the County shall not be entitled to receipt of any additional Bond Proceeds for the payment of Base Lease Rent.

SECTION 5.4. Completion of 2023 Projects and the Ancillary Projects. As soon as practicable after the filing with the Trustee or Custodian, as applicable, of the final requisition referred to in Section 5.3(c) hereof, the Trustee or Custodian, as applicable, shall remove any balance then remaining in the Project Fund (other than the amounts required to be retained by the Trustee, as applicable, as described in the said requisition), and the Project Fund shall be closed.

SECTION 5.5. Creation of Bond Fund, Facilities Purchase Account and Reserve Account.

(a) There is hereby created in the custody of the Trustee a separate trust fund to be designated the "Bond Fund." Within the Bond Fund there shall be established a Facilities Purchase Account and a Reserve Account. There shall be deposited in the Bond Fund (and credited, as required by this Trust Agreement or the Purchase and Use Agreement, to appropriate Accounts and subaccounts therein), amounts sufficient to pay the principal and premium, if any, of and interest on the Series 2023 Bonds from the Base Payments to be made by the County to the Trustee under the terms of the Purchase and Use Agreement. Upon the issuance of the Series 2023 Bonds, one subaccount (the 2023 Facilities Purchase Sub-Account) shall be created in the Facilities Purchase Account of the Bond Fund for the benefit of the Series 2023 Bonds; however, no subaccount shall be initially created or funded in the Reserve Account of

the Bond Fund for the benefit of the Series 2023 Bonds. Upon the issuance of any series of Additional Bonds hereunder, (i) a separate subaccount shall be created in the Facilities Purchase Account for purposes of making payment on each series of Bonds with the intent being that the Series 2023 Bonds and any Additional Bonds shall only be payable from the subaccounts of the Facilities Purchase Account established with respect to such series of Bonds upon the issuance thereof, and (ii) a separate subaccount may be created in the Reserve Account of the Bond Fund to provide for any Reserve Requirement with respect to such Additional Bonds with the intent being that any Additional Bonds (as applicable) shall only be payable from the subaccounts of the Reserve Account established with respect to such series of Bonds upon the issuance thereof.

(b) The Bond Fund (and the Accounts and subaccounts therein) and the moneys and Permitted Investments therein shall be used solely and exclusively for the payment of principal of, premium, if any, and interest on the Bonds as the same become due, except as otherwise provided in this Trust Agreement.

(c) The Trustee shall set aside from moneys in the Bond Fund amounts sufficient to make timely payments of the principal of, premium, if any, and interest on the Bonds.

(d) Amounts due with respect to a particular series of Bonds, except as provided in the remainder of this Section 5.5, shall be payable as they become due in the following order, (i) first, from amounts in the applicable subaccount of the Facilities Purchase Account; (ii) second, from the moneys available from the applicable subaccount of the Reserve Account; (iii) third, from other Revenues to the extent available; and (iv) fourth, from any other source lawfully available to the Trustee, including without limitation, proceeds from the leasing of the 2023 Facilities or the 2023 Real Property in accordance with the terms of the Purchase and Use Agreement and the Base Lease.

(e) A Supplemental Agreement may provide for matters relating to the creation and maintenance of, and application of amounts on deposit in, the applicable subaccount of the Reserve Account established with respect to a series of Bonds, and other provisions related to any insurance policy, letter of credit or other credit facility credited thereto.

(f) Notwithstanding anything herein to the contrary, the Trustee shall be entitled to create such other funds and accounts (collectively, "Other Funds and Accounts") as may be necessary or desirable in connection with the administration of its duties hereunder, including but not limited to such funds and accounts as may be established for the deposit of moneys related to the payment of arbitrage rebate in connection with the Bonds; provided, however, that (1) the Corporation and the Trustee shall be entitled to enter into such additional agreements relating to the funding, use, investment and disbursement of amounts in the Other Funds and Accounts notwithstanding any other provisions of this Trust Agreement; and (2) with the advice of Bond Counsel, the Corporation, or the Authorized Financial Representative on its behalf, shall be entitled to direct the transfer of amounts from the Bond Fund or the Other Funds and Accounts to one or more accounts related to the payment of arbitrage rebate in connection with the Bonds and direct the use of such accounts for such purpose.

SECTION 5.6. Creation of Repair and Replacement Fund. There is hereby created as a separate account in the custody of the Trustee a trust fund to be designated the "Repair and Replacement Fund." The Trustee shall deposit into the Repair and Replacement Fund as and when received that portion of the Additional Payments so budgeted by the Corporation; provided, however, that the amount so deposited may not in any event cause the amounts to be deposited or credited to the applicable subaccounts of the Facilities Purchase Accounts of the Bond Fund on such Bond Payment Date to be less than the amounts then due with respect to the applicable series of Bonds. Moneys in the Repair and Replacement Fund shall be used, upon written direction of the Corporation Representative to the Trustee, (a) to build up a reserve for the depreciation of the 2023 Facilities or otherwise for the purpose of restoring or

replacing depreciated or obsolete items of the 2023 Facilities, (b) to build up a reasonable reserve for improvements, betterments, and extensions to the 2023 Facilities, other than those necessary to maintain the 2023 Facilities in good repair and working order and (c) to pay any accrued and unpaid Administrative Fees. Moneys in this fund shall be used solely for such purposes, but may be transferred at the written direction of the Corporation Representative whenever necessary to the Bond Fund to pay the principal or premium, if any, of or interest on any Bonds or to replenish any Reserve Account established therefor.

SECTION 5.7. Investments. Subject in all events to the provisions set forth in Section 5.5(f) hereof:

(a) Moneys in the Project Fund, the Bond Fund and the Repair and Replacement Fund shall be invested and reinvested by the Trustee or Custodian, as applicable, in Permitted Investments at the written direction of the Authorized Financial Representative; provided, however, that in the absence of such written direction, funds shall be invested in _____. Any investments of moneys held to the credit of such funds and accounts shall mature, be available or be redeemable at the option of the owner or holder, or, in the case of a forward delivery agreement, repurchase agreement or similar contract, be available thereunder, not later than the respective dates when the money held to the credit of those Funds and Accounts will be required for the purpose intended.

(b) Subject to any written direction from the Authorized Financial Representative, from time to time, the Trustee or Custodian, as applicable, may sell investments and reinvest the proceeds therefrom in Permitted Investments maturing or redeemable or available as required hereunder. The Trustee or Custodian, as applicable, may enter into transactions for the purchase or sale of Permitted Investments with itself or any bank, trust company or savings and loan association affiliated with the Trustee or Custodian, as applicable. The Trustee or Custodian, as applicable, shall sell or redeem Permitted Investments credited to the Bond Fund at the times required for the purpose of paying amounts due with respect to the Bonds payable therefrom when due as aforesaid, and shall do so without necessity for any order. Subject to Section 5.5(f) hereof, an investment made from moneys credited to the Project Fund, the Repair and Replacement Fund, the Bond Fund or any Other Fund and Account shall, except as may be directed by the Corporation to the Trustee, constitute part of that account and fund, and each account and fund shall be credited with all proceeds of sale and income from investment of moneys credited thereto.

(c) Investment income from investment of amounts on deposit in the Project Fund or the Repair and Replacement Fund shall be retained therein and applied as other moneys in the Project Fund or the Repair and Replacement Fund, respectively. Investment income from investment of amounts on deposit in Other Funds and Accounts shall be applied as directed in writing by the Corporation or the Authorized Financial Representative on its behalf.

(d) Investment income from investment of a particular subaccount of the Facilities Purchase Account shall be retained in such subaccount and credited against the amount of the applicable Base Payments to be paid by the County on the next succeeding Bond Payment Date.

(e) Investment income from investment of a particular subaccount of the Reserve Account shall be retained in such subaccount to the extent that the value (as determined in the manner prescribed in paragraph (h) below) of amounts on deposit in such subaccount therein is less than the Reserve Requirement with respect to the applicable series of Bonds, and any excess over such Reserve Requirement shall be transferred from such subaccount on or prior to each Bond Payment Date for credit against the applicable Base Payments to be paid by the County or for such other purposes with the advice of Bond Counsel, all in the manner directed by the County.

(f) The Trustee shall report to the County at least five days prior to each date on which a Base Payment is due and payable the amount of investment income credited or transferred to the particular subaccount of the Facilities Purchase Account of the Bond Fund and available to make payments due on the next Bond Payment Date, and the amount of the applicable Base Payment payable by the County on that date shall be reduced by such amount.

(g) The Trustee shall not be liable for any loss resulting from the making or disposition of any investment in Permitted Investments pursuant to the provisions of this Section provided it acts in good faith and without negligence in making such investment, and any such losses shall be charged to the Fund and Account with respect to which such investment is made.

(h) The value of the obligations in which money in a fund or account has been invested shall be computed at market value or the amortized cost thereof, whichever is lower, except that in the case of the Reserve Account the value shall be computed at the original cost thereof. The Trustee shall value the investments in the Reserve Account and each subaccount therein on each May 1 and November 1 during the term of the Purchase and Use Agreement.

(i) In the event, as of a date of valuation, investments in the Reserve Account or any subaccount therein plus the value of any insurance policy, letter of credit or other credit facility credited thereto are determined to be less than the Reserve Requirement applicable thereto, the Corporation shall notify the County with a demand that it restore such Reserve Account or subaccount from any source of legally available and appropriated funds as an Additional Payment to the applicable Reserve Requirement in 12 equal monthly installments in the Fiscal Year immediately following the Fiscal Year in which such valuation is made.

SECTION 5.8. Moneys to be Held in Trust. All moneys required or permitted to be deposited with or paid to the Trustee under any provisions of this Trust Agreement or the Purchase and Use Agreement, and any investments thereof, shall be held by the Trustee in trust. Except for moneys held by the Trustee pursuant to Section 5.9 hereof, all moneys described in the preceding sentence held by the Trustee shall be subject to the lien of this Trust Agreement while so held.

SECTION 5.9. Nonpresentment of Bonds. If any Bond is not presented for payment when its principal becomes due in whole or in part, or a check or draft for interest is uncashed, if moneys sufficient to pay the principal then due on that Bond or such check or draft shall have been made available to the Trustee for the benefit of its Holder, all liability of the Corporation or the County to that Holder for the payment of the principal then due or of the check or draft thereupon shall cease and be discharged completely. Thereupon, it shall be the duty of the Trustee to hold those moneys, without liability for interest thereon, for the exclusive benefit of the Holder, who shall be restricted thereafter exclusively to those moneys for any claim of whatever nature on its part under this Trust Agreement or on, or with respect to, that principal then due or of such check or draft.

Subject to applicable law, any such moneys which shall be so held by the Trustee, and which remain unclaimed by the Holder of a Bond not presented for payment or check or draft not cashed for a period of five years after the due date thereof, shall be paid to the County free of any trust or lien. Thereafter, the Holder of such Bond shall look only to the County for payment and then only to the amounts so received by the County without any interest thereon, and the Trustee shall not have any responsibility with respect to those moneys.

SECTION 5.10. Repayment to County from Bond Fund. Except as provided in Section 5.9 hereof, any amounts remaining in the Bond Fund in excess of the amounts necessary to effect the payment and discharge of the Bonds (i) after all of the Outstanding Bonds shall be deemed paid and

discharged under the provisions of this Trust Agreement, and (ii) after payment of all fees, charges and expenses of the Trustee and of all other amounts required to be paid under this Trust Agreement and the Purchase and Use Agreement, shall be paid to the County.

ARTICLE VI
TRUSTEE

SECTION 6.1. Trustee's Acceptance and Responsibilities.

(a) The Trustee accepts the trusts imposed upon it by this Trust Agreement, and agrees to observe and perform those trusts, but only upon and subject to the terms and conditions set forth in this Article VI, to all of which the parties hereto and the Holders agree.

(b) It is expressly understood and agreed that this Trust Agreement is being executed by the Trustee not in its corporate and individual capacity but solely as trustee hereunder in the exercise of the power and authority conferred and vested in it as such Trustee. It is further understood and agreed that neither the Trustee nor any past, present or future director, officer, employee, agent, controlling person or nominee of the Trustee shall be personally liable for any breach of any representation or warranty of the trust incorporated herein or in any other agreement or obligation contemplated hereby and nothing herein or therein contained shall be construed as creating any liability of the Trustee in its corporate and individual capacity or as creating any liability of any past, present or future director, officer, employee, agent, controlling person or nominee of the Trustee to make any payment or to perform any agreement or undertaking contained herein or therein.

(c) Prior to the occurrence of an Event of Default of which the Trustee has been notified or deemed to have been notified as provided in paragraph (f) of Section 6.2 hereof, and after the cure or waiver of all defaults or Events of Default which may have occurred,

(i) the Trustee undertakes to perform only those duties and obligations which are set forth specifically in this Trust Agreement, and no duties or obligations shall be implied to the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the procedural requirements of this Trust Agreement; but in the case of any such certificates or opinions which by any provision hereof are required specifically to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the procedural requirements of this Trust Agreement.

(d) After the occurrence of an Event of Default of which the Trustee has knowledge or is deemed to have knowledge, the Trustee shall exercise those rights and powers vested in it by this Trust Agreement and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(e) No provision of this Trust Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(i) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in subsection (c)(i) of this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subsection (c)(ii) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in principal amount of the Outstanding Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Agreement;

(iv) no provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; and

(v) the Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Corporation or the County) selected by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon that opinion or advice.

(f) Every provision of this Trust Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article VI. Whenever the Trustee acts in its capacity as Trustee with respect to any document or agreement relating the Bonds, the provisions of this Article VI shall apply to all such action.

SECTION 6.2. Certain Rights and Obligations of the Trustee. Except as otherwise provided in Section 6.1 hereof:

(a) The Trustee (i) may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be answerable for the conduct of the same if appointed with due care, (ii) shall be entitled to the advice of counsel concerning all matters of trusts or powers hereof and duties hereunder, and (iii) may pay reasonable compensation in all cases to all of those attorneys, agents, receivers and employees reasonably employed by it in connection with the trusts hereof.

(b) Except as may be required of it in its capacity as assignee of the Corporation under the Purchase and Use Agreement or as specifically provided for elsewhere herein, the Trustee shall not be responsible for:

(i) any recital in this Trust Agreement or the Bonds or any information in any offering memorandum of other disclosure material,

(ii) the validity, priority, perfection, recording, rerecording, filing or refiling of this Trust Agreement or any Supplemental Agreement (or any assignment agreement related hereto or thereto), the Purchase and Use Agreement or the Base Lease or any financing statement with respect to the Trust Estate,

(iii) any instrument or document of further assurance or collateral assignment,

(iv) the initial filing of financing statements,

(v) insurance of any of the 2023 Facilities or the 2023 Real Property or collection of insurance moneys,

(vi) the validity of the execution by the Corporation of this Trust Agreement, any Supplemental Agreement or instruments or documents of further assurance,

(vii) the sufficiency of the security for the Bonds executed and delivered hereunder or intended to be secured hereby,

(viii) the value of or title to the 2023 Facilities or the 2023 Real Property, or

(ix) the maintenance of the security hereof, except that, in the event that the Trustee enters into possession of a part or all of the 2023 Facilities or the 2023 Real Property pursuant to any provision of the Purchase and Use Agreement or any other instrument or document collateral thereto, the Trustee shall use due diligence in preserving that property.

The Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, agreements or obligations on the part of the Corporation or the County under the Purchase and Use Agreement except as set forth hereinafter; but the Trustee may require of the Corporation or the County full information and advice as to the observance or performance of those covenants, agreements and obligations.

(c) Except with respect to the disbursement of amounts deposited with or received by it under the provisions of this Trust Agreement, the Trustee shall not be accountable for the application by the County or any other Person of the proceeds of the Bonds.

(d) The Trustee shall be protected and shall incur no liability, in the absence of bad faith on its part, in acting or proceeding, or in not acting or not proceeding upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons. The Trustee is under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instruments. Any action taken by the Trustee pursuant to this Trust Agreement upon the request or authority or consent of any Person who is the Holder of any Bond at the time of making, the request or giving the authority or consent, shall be conclusive and binding upon all future Holders of the same Bond and of Bonds executed and delivered in exchange therefor or in place therefor.

(e) As to the existence or nonexistence of any fact for which the Corporation or the County may be responsible or as to the sufficiency or validity of any instrument, document, report, paper or proceeding, the Trustee, in the absence of bad faith on its part, shall be entitled to rely upon a certificate signed on behalf of the Corporation by a Corporation Representative or the County by a County Representative as sufficient evidence of the facts recited therein. Prior to the occurrence of a default or Event of Default of which the Trustee has been notified or is deemed to have notice as provided in paragraph (f) of this Section, the Trustee may accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient; provided, that the Trustee in its discretion may require and obtain any further evidence which it deems to be necessary or advisable; and, provided further, that the Trustee shall not be bound to secure any further evidence.

(f) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default with respect to the Bonds, except Events of Default described in Section 7.1 (a) hereof, unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the County or the Holders of at least 10% of the

aggregate principal amount of Outstanding Bonds. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no default or Event of Default, except as noted above.

(g) At any reasonable time, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives may inspect and copy fully all books, papers and records of the Corporation pertaining to the 2023 Facilities and the 2023 Real Property, and may make any memoranda from and in regard thereto as the Trustee may desire.

(h) The Trustee shall not be required to give any bond or surety with respect to execution of these trusts and powers or otherwise in respect of the premises.

(i) Notwithstanding anything contained elsewhere in this Trust Agreement, the Trustee may demand any showings, certificates, reports, opinions, appraisals and other information, and corporate action and evidence thereof, in addition to those required by the terms hereof, as a condition to the authentication and delivery of any Bonds or the taking of any action whatsoever within the purview of this Trust Agreement, if the Trustee deems it to be desirable for the purpose of establishing the right of any Person to the taking of any other action by the Trustee; provided, that the Trustee shall not be required to make that demand.

(j) Before taking action hereunder pursuant to Section 6.4 or Article VII hereof (with the exception of any action required to be taken under Section 7.2 hereof), the Trustee may require that an indemnity bond satisfactory to it be furnished to the Trustee by the Holders for the reimbursement of all expenses which it may incur and to protect it against all liability by reason of any action so taken, except liability which is adjudicated to have resulted from its negligence or willful misconduct. The Trustee may take action without such indemnity, and in that case, all of the Trustee's expenses pursuant to Section 6.3 hereof with respect to the Bonds will be reimbursable as provided in the Purchase and Use Agreement.

(k) Unless otherwise provided herein, all moneys received by the Trustee under this Trust Agreement shall be held in trust for the purposes for which such moneys were received, until such moneys are used, applied or invested as provided herein; provided, that those moneys need not be segregated from other moneys, except to the extent required by this Trust Agreement or by law. The Trustee shall not have any liability for interest on any moneys received hereunder, except to the extent expressly provided herein or agreed with the Corporation.

(1) Any opinions, certificates and other instruments and documents for which provision is made in this Trust Agreement, may be accepted by the Trustee, in the absence of bad faith on its part, as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its action taken hereunder.

(m) The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty of the Trustee, and the Trustee shall be answerable only for its own negligence or willful misconduct.

SECTION 6.3. Fees, Charges and Expenses of Trustee. The Trustee acknowledges receipt of payment in full from the proceeds of the Bonds for its fees for its Ordinary Services rendered hereunder and for all advances, counsel fees and other Ordinary Expenses reasonably and necessarily paid or incurred, or to be paid or incurred, by it in connection with the provision of Ordinary Services to the date hereof. The Trustee shall be entitled to the payment of its annual charges upon invoice to the Corporation (which pursuant to the Purchase and Use Agreement shall be payable by the County). In the event that it should become necessary to perform Extraordinary Services including any such

Extraordinary Services relating to a default or post-default situation, with respect to the Bonds, the Trustee shall be entitled to reasonable extra compensation therefor, determined in accordance with the Trustee's then-current fee schedule, and to reimbursement for reasonable and necessary Extraordinary Expenses incurred in connection therewith. After an Event of Default, the Trustee shall have a lien on the Trust Estate with right of payment prior to payment on account of interest, principal and premium, if any, on the Bonds for such Extraordinary Expenses.

Without creating a default or an Event of Default, however, the County may contest in good faith the necessity for any Extraordinary Service and Extraordinary Expense and the reasonableness of any fee, charge or expense.

The Trustee, in that or its other capacities, shall not be entitled to compensation or reimbursement for Extraordinary Services or Extraordinary Expenses occasioned by its negligence or willful misconduct.

Any amounts payable under this Section 6.3 are payable upon demand and shall bear interest from the date of demand therefor at the prime rate quoted from time to time by the banking association serving as Trustee.

SECTION 6.4. Intervention by Trustee. The Trustee may and shall, at the direction of the Holders of at least 25% of the aggregate principal amount of the Outstanding Bonds, intervene in any judicial proceeding to which the Corporation or the County is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Holders of the Bonds. The rights and obligations of the Trustee under this Section are subject to the approval of that intervention by a court of competent jurisdiction. The Trustee may require that a satisfactory indemnity bond be provided to it by the Holders in accordance with Sections 6.1 and 6.2 hereof before it takes action hereunder.

SECTION 6.5. Successor Trustee. Anything herein to the contrary notwithstanding:

(a) Any corporation or association (i) into which the Trustee may be converted or merged, (ii) with which the Trustee or any successor to it may be consolidated, or (iii) to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger, consolidation, sale or transfer, ipso facto, shall be and become successor Trustee hereunder and shall be vested with all of the title to the whole property or Trust Estate hereunder.

(b) Any such corporation or association that becomes a successor Trustee by virtue of the foregoing shall be vested further, as was its predecessor, with each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Trust Agreement to be exercised by, vested in or conveyed to the Trustee, without the execution or filing of any instrument or document or any further act on the part of any of the parties hereto.

(c) Any successor Trustee, or its parent corporation, however, shall (i) be a trust company or a bank having the powers of a trust company, (ii) be duly authorized to exercise trust powers and in good standing under the laws of the State and, if applicable, the United States, (iii) be subject to examination by federal or State authorities, and (iv) have a reported capital and surplus of not less than $75,000,000.

SECTION 6.6. Resignation by Trustee. The Trustee may resign at any time from the trusts created hereby by giving written notice of the resignation to the County and the Corporation and by mailing written notice of the resignation to the Holders as their names and addresses appear on the

Register at the close of business 15 days prior to the mailing. The resignation shall take effect upon the appointment of a successor Trustee and its acceptance of its duties as set forth in Section 6.8 hereof.

SECTION 6.7. Removal of Trustee.

(a) The Trustee may be removed for cause at any time by an instrument or document or concurrent instruments or documents in writing delivered to the Trustee, with copies thereof mailed to the County and the Corporation, and signed by or on behalf of the Holders of not less than a majority of the aggregate principal amount of the Outstanding Bonds.

(b) For so long as no Event of Default has occurred and is continuing, the Corporation at the written direction of the County may remove the Trustee without cause or for no cause upon 30 days' written notice.

(c) The Trustee also may be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Trust Agreement with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Corporation, the County or the Holders of not less than 25% in aggregate principal amount of the Outstanding Bonds.

(d) At the request of the County, so long as no default exists under the Purchase and Use Agreement and no Event of Nonappropriation has occurred, the Corporation may appoint a successor Trustee as provided in Section 6.8 hereof.

SECTION 6.8. Appointment of Successor Trustee.

(a) If (i) the Trustee shall resign, shall be removed, shall be dissolved, or shall become otherwise incapable of acting hereunder, (ii) the Trustee shall be taken under the control of any public officer or officers, or (iii) a receiver shall be appointed for the Trustee by a court, then a successor Trustee shall be appointed by the Corporation (with the agreement of the County if there is no Event of Default and no Event of Nonappropriation under the Purchase and Use Agreement); provided, that if a successor Trustee is not so appointed within ten days after (x) a notice of resignation or any instrument or document of removal is received by the Corporation as provided in Sections 6.6 and 6.7 hereof, respectively, or (y) the Trustee is dissolved, taken under control, becomes otherwise incapable of acting or a receiver is appointed, in each case, as provided above, then, so long as the Corporation shall not have appointed a successor Trustee, the Holders of a majority in aggregate principal amount of the Outstanding Bonds not paid or provided for may designate a successor Trustee by an instrument or document or concurrent instruments or documents in writing signed by or on behalf of those Holders. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 60 days of the occurrence of any event listed in Section 6.8(a)(i)-(iii) hereof, the Holder of any Outstanding Bond hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee. Notwithstanding any other provision of this Trust Agreement to the contrary, no resignation or removal of the Trustee shall become effective until a successor has been appointed and has accepted the duties of Trustee hereunder.

(b) Every successor Trustee appointed pursuant to this Section shall (i) be a trust company or bank having the powers of a trust company, (ii) be in good standing within the State and, if applicable, the United States, (iii) be duly authorized to exercise trust powers within the State and, if applicable, the United States, (iv) be subject to examination by federal or state authorities, (v) have a reported capital and

surplus of not less than $75,000,000, and (vi) be willing to accept the trusteeship under the terms and conditions of this Trust Agreement.

(c) Every successor Trustee appointed hereunder shall execute and acknowledge, and shall deliver to its predecessor and to the Corporation and the County an instrument or document in writing accepting the appointment. Thereupon, without any further act, the successor shall become vested with all of the trusts, properties, remedies, powers, rights, duties, obligations, discretion, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of its predecessor. Upon the written request of its successor, the Corporation or the County, the predecessor Trustee (i) shall execute and deliver any instrument or document transferring to its successor all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests, and liens of the predecessor Trustee hereunder, and (ii) shall take any other action necessary to duly assign, transfer and deliver to its successor all property (including without limitation, all securities and moneys) held by it as Trustee. Should any instrument or document in writing from the Corporation be requested by any successor Trustee for vesting and the conveying more fully and certainly in and to that successor the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens vested or conveyed hereby in or to the predecessor Trustee, the Corporation shall execute, acknowledge and deliver that instrument or document.

(d) In the event of a change in the Trustee, the predecessor Trustee shall cease to be custodian of any moneys which it may hold pursuant to this Trust Agreement and shall cease to act as Paying Agent for the Bonds, the successor Trustee shall become custodian of such moneys and the Paying Agent.

(e) Upon the appointment of a successor Trustee and completion by the predecessor Trustee of the actions required of it under (c) above, the predecessor Trustee shall not be liable for any acts of its successor.

SECTION 6.9. Dealing in Bonds. The Trustee and its affiliates, and any directors, officers, employees or agents thereof, in good faith, may become the owner of any Bond or Bonds with the same rights which they would have hereunder if the Trustee did not serve in that capacity.

SECTION 6.10. Representations, Agreements and Covenants of Trustee. The Trustee hereby represents that it is a banking association duly organized, validly existing and in good standing under the laws of the United States and duly authorized to exercise corporate trust powers in the State, it has an unimpaired reported capital and surplus of not less than $75,000,000. The Trustee covenants that it will take such action, if any, as is necessary to remain in good standing and duly authorized to exercise corporate trust powers in the State, and that it will maintain unimpaired reported capital and surplus of not less than $75,000,000. The Trustee accepts and agrees to observe and perform the duties and obligations of the Trustee hereunder and under any other instrument or document providing security for the Bonds; provided, nevertheless, that the Trustee shall not be responsible or liable for the performance of or observation of any covenants respecting the maintenance of federal tax exemption of interest with respect to the Bonds in the absence of specific direction in writing from the County or the Corporation and shall not be responsible for ascertaining the requirements of federal tax law with respect thereto.

SECTION 6.11. Right of Trustee to Pay Taxes and Other Charges. Reference is made to the Purchase and Use Agreement whereby the Corporation is authorized to advance moneys (i) to pay taxes, assessments and other governmental charges with respect to the 2023 Facilities and the 2023 Real Property, (ii) for the discharge of mechanic's and other liens relating to the 2023 Facilities or the 2023 Real Property, (iii) to obtain and maintain insurance for the 2023 Facilities and the 2023 Real Property and pay premiums therefor, and (iv) generally, to make payments and incur expenses in the event that the

County fails to do so as required by such Purchase and Use Agreement or the Base Lease. The Trustee may make those advances but shall not be required to do so (and may require indemnification) pursuant to Sections 6.1(e)(iv) hereof, but without prejudice to any rights of the Trustee as assignee of the Corporation against the County for failure of the County to do so.

ARTICLE VII
DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND HOLDERS

SECTION 7.1. Defaults; Events of Default. The occurrence of any of the following events is defined as and declared to be and to constitute an Event of Default hereunder:

(a) Payment of the principal or interest due on any Bond shall not be made when and as such payment shall become due and payable; or

(b) The occurrence and continuance of an Event of Default as defined in Section 8.1 of the Purchase and Use Agreement; or

(c) Any material breach by the Corporation of any representation or warranty made in this Trust Agreement or default in the performance or observance of any other of the covenants, agreements, or conditions on the part of the Corporation in this Trust Agreement or in the Bonds contained; or

(d) The issuance of an order of relief by the Bankruptcy Court of the United States District Court having valid jurisdiction, granting the Corporation relief under federal bankruptcy law, or the issuance by any other court having valid jurisdiction of an order or decree under applicable federal or state law providing for the appointment of a receiver, liquidator, assignee, trustee, or sequestrator (or other similar official) of the Corporation or any substantial part of its property, affairs, or assets, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or

(e) The consent by the Corporation to the institution of proceedings in bankruptcy against it, or to the institution of any proceeding against it under any federal or state insolvency laws, or to the filing of any petition, application, or complaint seeking the appointment of a receiver, liquidator, assignee, trustee, or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, affairs, or assets.

SECTION 7.2. Notice of Default. In the event the Trustee becomes aware of the occurrence of any of the events described in Section 7.1 above with respect to the Purchase and Use Agreement, the Trustee shall give written notice of the Event of Default, by registered or certified mail, to the County and the Corporation, within 10 days after the Trustee has knowledge of the Event of Default. If an Event of Default occurs of which the Trustee has notice pursuant to this Trust Agreement, the Trustee shall give written notice thereof, within 30 days after the Trustee's receipt of notice of its occurrence, to the Holders of all Outstanding Bonds as shown by the Register at the close of business 15 days prior to the mailing of that notice.

SECTION 7.3. Remedies; Rights of Holders.

(a) General. Upon the occurrence and continuance of an Event of Default, the Trustee may pursue any available remedy to enforce the payment of any amounts due with respect to the Bonds or the observance and performance of any other covenant, agreement or obligation under this Trust Agreement, the Purchase and Use Agreement (including but not limited to the right to relet the Corporation Facilities as provided in Section 8.2 of the Purchase and Use Agreement) pertaining thereto or any other instrument providing security, directly or indirectly, for the Bonds. If, upon the occurrence and continuance of an

Event of Default, the Trustee is requested so to do by the Holders of at least 25% of the aggregate of the principal amount of the Outstanding Bonds, the Trustee (subject to the provisions of Sections 6.1 and 6.2 hereof), shall exercise one or more rights and powers conferred by this Section as the Trustee, upon advice of counsel, deems most expedient in the interests of the Holders of such Bonds.

(b) Acceleration. Upon the occurrence of an Event of Default, and at any time thereafter while such Event of Default continues, then, and in each and every case, the Trustee in its own name and as trustee of an express trust, on behalf and for the benefit and protection of the Holders of all Outstanding Bonds, may proceed, and upon the written request of the Holders of not less than 25% in principal amount of the Outstanding Bonds, shall proceed, to declare the principal of all Outstanding Bonds, except as noted below, together with all accrued and unpaid interest thereon, if not already due, to be due and payable immediately, and upon any such declaration the same shall become and be due and payable immediately, anything contained in this Trust Agreement or any Supplemental Agreement or in any of the Bonds to the contrary notwithstanding. This provision is also subject, however, to the condition that, if at any time after the principal of the Bonds, together with the accrued and unpaid interest thereon and other moneys secured hereby, have been so declared due and payable and before any further action has been taken (other than the making of the above declaration), the principal amount of all Bonds which have matured either according to the maturity date or dates otherwise specified therein (except as a result of such declaration) and all arrears of interest upon all Bonds, except interest accrued but not yet due on said Bonds, have been paid or caused to be paid, and all other Events of Default, if any, which have occurred have been remedied, cured or secured, then and in each and every such case the Holders of 25% in principal amount of the Outstanding Bonds, by notice in writing delivered to the Trustee and the Corporation, may waive such Event of Default and its consequences and rescind and annul such declaration. No such waiver or rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power related to such subsequent default.

(c) Other Remedies. In case any one or more of the Events of Default shall happen and be continuing, then and in every such case, but subject to the provisions of Section 7.7 hereof, the Holder of any Outstanding Bond or Trustee therefor, may, for the equal benefit and protection of all Holders of the Bonds similarly situated:

(i) by mandamus or other suit, action or proceedings at law or in the equity, enforce such Bondholder's right against the Corporation and require and compel the Corporation to perform and carry out its duties and obligations under this Trust Agreement or enforce any such remedies against the County pursuant to the Purchase and Use Agreement, and require and compel the Corporation to perform and carry out its covenants and agreements with the Bondholders;

(ii) by action or suit in equity require the Corporation to account as if such Corporation were the trustee of an express trust;

(iii) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders;

(iv) bring suit upon the Bonds;

(v) take such other action with respect to the Trust Estate, including obtaining the appointment of a receiver, as it may deem appropriate and apply any funds resulting therefrom as if such funds were Revenues; or

(vi) avail itself of any other remedy, whether at law or in equity, as it may determine to be appropriate.

(d) Remedies Under UCC. Subject to the terms of the Base Lease, the Trustee may exercise any rights, powers, or remedies it may have as a secured party under the UCC of the State, or other similar laws in effect.

(e) No Remedy Exclusive, Effect of Delay and Waiver. No remedy conferred upon or reserved to the Trustee (or to the Holders) by this Trust Agreement is intended to be exclusive of any other remedy. Each remedy shall be cumulative and shall be in addition to every other remedy given hereunder or otherwise to the Trustee or to the Holders now or hereafter existing. No delay in exercising or omission to exercise any remedy, right or power accruing upon any default or Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be deemed to be expedient. No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Holders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any remedy, right or power consequent thereon.

(f) Remedies Under Purchase and Use Agreement and Base Lease. As the assignee of all right, title and interest of the Corporation in and to the Purchase and Use Agreement and the Base Lease, the Trustee is empowered to enforce each remedy, right and power granted to the Corporation under the Purchase and Use Agreement (except for the Reserved Rights and any other rights specifically reserved to the Corporation) and the Base Lease. In exercising any remedy, right or power under the Purchase and Use Agreement, the Base Lease or this Trust Agreement, the Trustee shall take any action which would best serve the interests of the Holders in the judgment of the Trustee, applying the standards described in Sections 6.1 and 6.2 hereof.

SECTION 7.4. Right of Holders to Direct Proceedings. Anything to the contrary in this Trust Agreement notwithstanding, the Holders of at least a majority in aggregate principal amount of the Outstanding Bonds shall have the right at any time to direct, by an instrument or document or instruments or documents in writing executed and delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Trust Agreement or any other proceedings hereunder; provided, that (i) any direction shall not be other than in accordance with the provisions of law and of this Trust Agreement, (ii) the Trustee shall be indemnified as provided in Sections 6.1 and 6.2 hereof, and (iii) the Trustee may take any other action which it deems to be proper and which is not inconsistent with the direction.

SECTION 7.5. Application of Moneys.

(a) Unless the principal of all Outstanding Bonds shall have become or have been declared due and payable any funds received by the Trustee hereunder, after payment of costs and expenses of collection of such funds, shall be applied as follows (provided, however, that amounts on deposit in a subaccount of the Facilities Purchase Account or the Reserve Account established for the benefit of a particular series of Bonds shall be available solely with respect to such Bonds):

First*:* To the payment to the Persons entitled thereto of all installments of interest then due on the Bonds in the order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the person entitled thereto, without any discrimination or preference;

Second*:* To the payment to the Persons entitled thereto of the unpaid principal amounts or redemption premium, if any, of any Bonds which shall have become due (other than Bonds previously called for redemption in accordance with the provisions hereof), whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the principal amounts or redemption premium, if any, due on such date, to the Persons entitled thereto, without any discrimination or preference; and

Third*:* If, when there is not an Event of Default, the Trustee is required to expend funds to defend itself in a lawsuit which arises under a cause of action attacking the legality of the Bonds, the inclusion of interest earned on the Bonds in the gross income for federal income tax purposes of a Bondholder, or the status of the Corporation as issuer, then, in such event the Trustee shall be entitled to a call on the funds for the same kinds of expenses as are described as costs and expenses of collection as described in (b) below.

(b) If the principal of all Outstanding Bonds shall have become or have been declared due and payable, any funds received by the Trustee hereunder, after payment of costs and expenses of collection, shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference; provided, however, that amounts on deposit in a subaccount of the Facilities Purchase Account or the Reserve Account established for the benefit of a particular series of Bonds shall be available solely with respect to such Bonds. For purposes hereof, "costs and expenses of collection" shall include such expenses as are necessary for the Trustee to fulfill its obligation of due diligence to protect the interests of the Bondholders in the Trust Estate which may include the Trustee's reasonable expenses and fees for its duties administering this Trust Agreement while the Bonds are in default to include its normal fees, additional expenses resulting from managing any of the property forming part of the Trust Estate, expenses of counsel to represent the Trustee, expenses of any and all consultants employed by the Trustee and direct expenses of the Trustee to include the costs of preparing and mailing notices to Bondholders and other parties.

(c) If the principal of all Outstanding Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all Outstanding Bonds shall later become due or be declared due and payable, moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

(d) Whenever moneys are to be applied pursuant to the provisions of this Section, those moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of moneys available for application and the likelihood of additional moneys becoming available for application in the future. Whenever the Trustee shall direct the application of those moneys, it shall fix the date upon which the application in to be made, and upon that date, interest shall cease to accrue on the amounts of principal, if any, to be paid on that date, provided the moneys are available therefor. The Trustee shall give notice of the deposit with it of any moneys and of the fixing of that date, all consistent with the requirements of Section 3.5 hereof for the establishment of, and for giving notice with respect to, a Special Record Date for the payment of overdue interest. The Trustee shall not be required to make payment of principal of a Bond to the Holder thereof, until the Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if it is paid fully.

(e) Whenever all Bonds and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Trustee have been paid, any balance remaining shall be paid to the Person entitled to receive the same; if no other Person shall be entitled thereto, then the balance shall be paid to the County or as a court of competent jurisdiction may direct.

SECTION 7.6. Remedies Vested in Trustee. All rights of action (including without limitation, the right to file proofs of claims) under this Trust Agreement or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining any Holders as plaintiffs or defendants. Any recovery of judgment shall be for the benefit of the Holders of the Outstanding Bonds subject to the provisions of this Trust Agreement.

SECTION 7.7. Rights and Remedies of Holders. A Holder of a Bond shall not have any right to institute any suit, action or proceeding for the enforcement of this Trust Agreement, for the execution of any trust hereof, or for the exercise of any other remedy hereunder, unless there has occurred and is continuing an Event of Default of which the Trustee has been notified or is deemed to have notice as provided in Section 6.2(f) hereof; the Holders of at least 25% in aggregate principal amount of the Outstanding Bonds shall have made written request to the Trustee and shall have afforded the Trustee reasonable opportunity to proceed to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name, and shall have offered indemnity to the Trustee as provided in Sections 6.1 and 6.2 hereof; and the Trustee thereafter shall have failed or refused to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name. At the option of the Trustee, such notification (or notice), request, opportunity and offer of indemnity are conditions precedent in every case, to the institution of any suit, action or proceeding described above.

No one or more Holders of the Bonds shall have any right to affect, disturb or prejudice in any manner whatsoever the security or benefit of this Trust Agreement by its or their action, or to enforce, except in the manner provided herein, any remedy, right or power hereunder. Any suit, action or proceeding shall be instituted, had and maintained in the manner provided herein for the benefit of the Holders of all Outstanding Bonds. Nothing in this Trust Agreement shall affect or impair, however, the right of any Holder to enforce the payment of the principal and interest due on any Bond owned by that Holder at and after the due date thereof, at the place, from the sources and in the manner expressed in the Bond.

SECTION 7.8. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any remedy, right or power under this Trust Agreement in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Corporation and the Holders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no suit, action or proceedings had been taken.

SECTION 7.9. Waivers of Events of Default. Except as hereinafter provided, at any time, in its discretion, the Trustee may waive any Event of Default hereunder and its consequences and shall do so upon the written request of the Holders of Bonds of least a majority in aggregate principal amount of Bonds Outstanding. There shall not be so waived, however, any Event of Default described in Section 7.1 (a) hereof unless at the time of such waiver payments of all amounts then due and payable with respect to the Bonds have been made or provision has been made therefor. In the case of such waiver, or in case any suit, action or proceeding taken by the Trustee on account of any Event of Default shall have been discontinued, abandoned or determined adversely to it, the Trustee and the Holders shall be restored to

their former positions and rights hereunder, respectively. No waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

ARTICLE VIII
SUPPLEMENTAL AGREEMENTS

SECTION 8.1. Supplemental Agreements Generally. The Corporation and the Trustee may enter into Supplemental Agreements, as provided in this Article and pursuant to the other provisions therefor in this Trust Agreement.

SECTION 8.2. Supplemental Agreements Not Requiring Consent of Holders. Without the consent of, or notice to, any of the Holders, the Corporation and the Trustee may enter into Supplemental Agreements which be for any one or more of the following purposes:

(a) To cure any ambiguity, inconsistency or formal defect or omission in this Trust Agreement;

(b) To grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that lawfully may be granted to or conferred upon the Holders or the Trustee;

(c) To assign additional revenues under this Trust Agreement;

(d) To accept additional security and instruments and documents of further assurance with respect to the 2023 Facilities and the 2023 Real Property;

(e) To add to the covenants, agreements and obligations under this Trust Agreement, other covenants, agreements and obligations to be observed for the protection of the Holders;

(f) To evidence any succession to the Trustee and the assumption by its successor of the covenants, agreements and obligations of the Trustee under this Trust Agreement and the Bonds;

(g) To permit the use of a Book Entry System to identify the owner of a proportionate interest in the payments under the Purchase and Use Agreement, whether that proportionate interest was formerly, or could be, evidenced by a tangible security;

(h) To permit the Trustee to comply with any obligations imposed upon it by law;

(i) To specify further the duties and responsibilities of the Trustee;

(j) To achieve compliance of this Trust Agreement with any applicable federal securities or tax law;

(k) To make amendments to the provisions hereof relating to matters under the Code, if, in the opinion of nationally recognized bond counsel selected by the Corporation, those amendments would not cause the interest on the Bonds to become includable in the gross incomes of the recipients thereof for federal income tax purposes;

(1) To make provision of the issuance of Additional Bonds as provided for herein, including but not limited to the addition of any provisions related to a subaccount of the Reserve Account of the Bond Fund (or the establishment, maintenance, investment or use thereof) established for such Additional Bonds;

(m) To permit any other amendment which is not to the prejudice of the Trustee (in the judgment of the Trustee) or the Holders; or

(n) To reflect a change in applicable law.

The provisions of paragraphs (h), (i) and (m) above shall not be deemed to constitute a waiver by the Trustee or any Holder of any right which it may have in the absence of those provisions to contest the application of any change in law to this Trust Agreement or the Bonds.

SECTION 8.3. Supplemental Agreements Requiring Consent of Holders. Exclusive of Supplemental Agreements to which reference is made in Section 8.2 hereof and subject to the terms, provisions and limitations contained in this Section, and not otherwise, with the consent of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds at such time, evidenced as provided in this Trust Agreement, the Corporation and the Trustee may execute and deliver Supplemental Agreements adding any provisions to, changing in any manner or eliminating any of the provisions of this Trust Agreement or any Supplemental Agreement or restricting in any manner the rights of the Holders. Nothing in this Section or Section 8.2 hereof shall, however, be construed as permitting:

(a) without the consent of the Holder of each Bond so affected, (i) an extension of the maturity of the principal of or the interest on any Bond, or (ii) a reduction in the principal amount of any Bond or the rate of interest thereon, or

(b) without the consent of the Holders of all Outstanding Bonds, (i) the creation of a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (ii) a reduction in the aggregate principal amount of the Bonds required for consent to a Supplemental Agreement; provided, however, that the establishment of an escrow for the defeasance of a portion of the Bonds shall not be deemed to constitute the creation of a privilege or priority for the benefit of the Bonds to be defeased.

If the Corporation shall request that the Trustee execute and deliver any Supplemental Agreement for any of the purposes of this Section, upon (i) being satisfactorily indemnified with respect to its expenses and liability in connection therewith, and (ii) if required by Section 8.4 hereof, receipt of the County's consent to the proposed execution and delivery of the Supplemental Agreement, the Trustee shall cause notice of the proposed execution and delivery of the Supplemental Agreement to be mailed by first class mail, postage prepaid, to all Holders of Outstanding Bonds at their addresses as they appear on the Register at the close of business on the 15th day preceding that mailing.

The Trustee shall not be subject to any liability to any Holder by reason of the Trustee's failure to mail, or the failure of any Holder to receive, the notice required by this Section. Any failure of that nature shall not affect the validity of the Supplemental Agreement when there has been consent thereto as provided in this Section. The notice shall set forth briefly the nature of the proposed Supplemental Agreement and shall state that copies thereof are on file at the principal trust office of the Trustee for inspection by all Holders.

If the Trustee shall receive, within a period described by the Trustee of not less than 60 days but not exceeding one year, following the mailing of the notice, an instrument or document or instruments or documents (which instrument or document or instruments or documents shall refer to the proposed Supplemental Agreement in the form described in the notice), by which the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds consent to the execution of such Supplemental Agreement, the Trustee shall, but shall not otherwise, execute and deliver the Supplemental Agreement in substantially the form to which reference is made in the notice as being on file with the

Trustee, without liability or responsibility to any Holder, regardless of whether that Holder shall have consented thereto.

Any consent shall be binding upon the Holder of the Bond giving the consent and, anything herein to the contrary notwithstanding, upon any subsequent Holder of that Bond and of any Bond executed and delivered in exchange therefor (regardless of whether the subsequent Holder has notice of the consent to the Supplemental Agreement). A consent may be revoked in writing, however, by the Holder who gave the consent or by a subsequent Holder of the Bond by a revocation of such consent received by the Trustee prior to the execution and delivery by the Trustee of the Supplemental Agreement. At any time after the Holders of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the Trustee shall make and file with the County a written statement that the Holders of the required percentage of Bonds have filed those consents. That written statement shall be conclusive evidence that the consents have been so filed.

If the Holders of the required percentage in aggregate principal amount of Outstanding Bonds shall have consented to the Supplemental Agreement, as provided in this Section, no Holder shall have any right (a) to object to (i) the execution or delivery of the Supplemental Agreement, (ii) any of the terms and provisions contained therein, or (iii) the operation thereof, (b) to question the propriety of the execution and delivery thereof, or (c) to enjoin or restrain the Trustee from that execution or delivery or from taking any action pursuant to the provisions thereof.

Notwithstanding any other provision of this Trust Agreement, for so long as the underwriter or other purchaser of any Bonds issued pursuant to this Trust Agreement is the registered holder or beneficial owner of such Bonds, such underwriter or purchaser is authorized to assent to and consent to any amendments to this Trust Agreement in the same manner and to the extent as the Holders of such Bonds.

SECTION 8.4. Consent of County. Anything contained herein to the contrary notwithstanding, a Supplemental Agreement executed and delivered in accordance with this Article VIII which affects any rights or obligations of the County shall not become effective unless and until the County shall have consented in writing to the execution and delivery of that Supplemental Agreement. The Trustee shall cause notice of the proposed execution and delivery of any Supplemental Agreement and a copy of the proposed Supplemental Agreement to be mailed to the County, as provided in Section 12.3 hereof, (i) at least 30 days (unless waived by the County) before the date of the proposed execution and delivery in the case of a Supplemental Agreement to which reference is made in Section 8.2 hereof, and (ii) at least 30 days (unless waived by the County) before the giving of the notice of the proposed execution and delivery in the case of a Supplemental Agreement for which provision is made in Section 8.3 hereof.

SECTION 8.5. Authorization to Trustee; Effect of Supplemental Agreement. The Trustee is authorized to join with the Corporation in the execution and delivery of any Supplemental Agreement in accordance with this Article and to make the further agreements and stipulations which may be contained therein with the following effect:

(a) That Supplemental Agreement shall form a part of this Trust Agreement;

(b) All terms and conditions contained in that Supplemental Agreement as to any provision authorized to be contained therein shall be deemed to be a part of the terms and conditions of this Trust Agreement for any and all purposes;

(c) This Trust Agreement shall be deemed to be modified and amended in accordance with the Supplemental Agreement; and

(d) The respective rights, duties and obligations under this Trust Agreement of the Corporation, the Trustee and all Holders of Outstanding Bonds shall be determined, exercised and enforced hereunder in a manner which is subject in all respects to those modifications and amendments made by the Supplemental Agreement.

Express reference to any executed and delivered Supplemental Agreement may be made in the text of any Bonds executed and delivered thereafter, if that reference is deemed necessary or desirable by the Trustee or the Corporation. The Trustee shall not be required to execute a Supplemental Agreement containing provisions adverse to the Trustee.

SECTION 8.6. Favorable Opinion of Bond Counsel. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, a Favorable Opinion of Bond Counsel in connection with any proposed Supplemental Agreement. Prior to taking any action hereunder, the Trustee shall be entitled to assurance as to the payment of the fees and expenses of any counsel providing such opinion.

SECTION 8.7. Modification by Unanimous Consent. Notwithstanding anything contained elsewhere in this Trust Agreement, the rights and obligations of the Trustee and of the Holders of the Bonds, and the terms and provisions of the Bonds and this Trust Agreement or any Supplemental Agreement, may be modified or altered in any respect with the consent of (i) the Trustee, (ii) the Holders of all of the Outstanding Bonds, and (iii) if required by Section 8.4 hereof, the County.

ARTICLE IX
DEFEASANCE

SECTION 9.1. Defeasance.

(a) When principal or redemption price (as the case may be) of, and interest on, any Bonds issued hereunder has been paid, or provision shall have been made for payment of the same, together with the compensation of the Trustee and all other sums payable hereunder by the Corporation and the County, the right, title and interest of the Trustee with respect to such Bonds shall thereupon cease and the Trustee shall release this Trust Agreement and shall execute such documents to evidence such releases as may be reasonably required by the Corporation and shall turn over to the Corporation or to such person, body or authority as may be entitled to receive the same all balances then held by it hereunder; provided, however, that the County shall in all events remain liable under the Purchase and Use Agreement (subject to Section 4.7 thereof) until all amounts due and owing thereunder have been paid.

(b) Provision for the payment of the Bonds shall be deemed to have been made when the Trustee holds, in an irrevocable deposit, under the provisions hereof (i) cash in an amount sufficient to make all payments specified above with respect to all of such Bonds, or (ii) Defeasance Obligations maturing on or before the date or dates when the payments specified above shall become due, the principal amount of which and the interest thereon, when due, is or will be, in the aggregate, sufficient without reinvestment to make all payments specified above with respect to such Bonds, or (iii) any combination of such cash and such Defeasance Obligations the amounts of which and interest thereon, when due, are or will be, in the aggregate, sufficient without reinvestment to make all payments specified above on such Bonds; provided that, to the extent such deposit does not consist of cash, the Trustee shall have received a report of an independent accountant or firm of accountants verifying that the computations of the amount available from Defeasance Obligations when added to any cash available shall be sufficient to meet the requirements hereof.

(c) Neither the obligations nor the moneys deposited with the Trustee pursuant to this Section shall be withdrawn or used for any purpose other than, and shall be segregated and held in trust for, the payment of the principal or redemption price of, and interest on, said Bonds.

(d) Whenever moneys or obligations shall be deposited with the Trustee for the payment or redemption of Bonds more than 60 days prior to the date that such Bonds are to mature or be redeemed, the Trustee shall mail a notice stating that such moneys or obligations have been deposited and identifying the Bonds for the payment of which such moneys or obligations are being held, to the Holders of Bonds for the payment of which such moneys or obligations are being held.

(e) Prior to any defeasance becoming effective under this Trust Agreement, there shall have been delivered to the Trustee an opinion of Bond Counsel, satisfactory to the Trustee, to the effect that interest on the Bonds being paid by such defeasance will not become subject to Federal income taxation by reason of such defeasance.

SECTION 9.2. Survival of Certain Provisions. Notwithstanding the foregoing, any provisions of this Trust Agreement which relate to the maturity of Bonds, interest payments and dates thereof, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds, the holding of moneys in trust, and payments to the County from the Bond Fund pertaining to the Purchase and Use Agreement and the duties of the Trustee in connection with all of the foregoing, shall remain in effect and be binding upon the Trustee and the Holders, notwithstanding, the release and discharge of this Trust Agreement. The provisions of this Article shall survive the release, discharge and satisfaction of this Trust Agreement.

ARTICLE X
ADDITIONAL COVENANTS AND AGREEMENTS OF THE TRUSTEE

SECTION 10.1. Additional Covenants and Agreements of the Trustee. In addition to any other covenants and agreements of the Trustee in this Trust Agreement, the Trustee further covenants and agrees for the benefit of the Holders as follows:

(a) Register. At reasonable times and under reasonable regulations established by the Trustee, the Register for the Bonds may be inspected and copied by the Corporation, the County or Holders of 25% or more in principal amount of the Outstanding Bonds, or a designated representative therefor.

(b) Rights and Enforcement of Base Lease and Purchase and Use Agreement. The Trustee may and shall enforce, in its name, all rights of the Corporation under the Base Lease and the Purchase and Use Agreement for and on behalf of the Holders. The Trustee covenants and agrees to perform all obligations and duties imposed on it by assignment hereunder, and to enforce all covenants, agreements and obligations of the County under and pursuant to the Base Lease and the Purchase and Use Agreement. The Trustee will do all things and take all actions on its part necessary to comply with covenants, agreements, obligations duties and responsibilities on its part to be observed or performed under the Base Lease and the Purchase and Use Agreement, and will take all actions within its authority to keep the Base Lease and the Purchase and Use Agreement in effect in accordance with the terms thereof. The Trustee's obligations under this paragraph are subject to the provisions of Section 7.3(f) hereof.

SECTION 10.2. Observance and Performance of Covenants, Agreements, Authority and Actions. The Trustee will observe and perform faithfully at all times all covenants, agreements, authority, actions, undertakings, stipulations and provisions to be observed or performed on its part under this Trust Agreement and the Bonds.

The Trustee represents and warrants that:

(a) It is duly authorized to execute and deliver this Trust Agreement and to perform its obligations hereunder in the manner and to the extent set forth in this Trust Agreement.

(b) All actions required on its part to be performed for the execution and delivery of the Bonds and this Trust Agreement have been or will be taken duly and effectively.

ARTICLE XI
AMENDMENTS TO BASE LEASE AND PURCHASE AND USE AGREEMENT

SECTION 11.1. Amendments Not Requiring Consent of Holders. Without the consent of or notice to the Holders, the Trustee, as trustee and as lessor by assignment, may consent and, at the direction of the Corporation, shall consent to any amendment, change or modification of the Base Lease and the Purchase and Use Agreement as may be required (i) by the provisions of the Base Lease, the Purchase and Use Agreement or this Trust Agreement, (ii) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Base Lease or the Purchase and Use Agreement, (iii) in connection with an amendment or to effect any purpose for which there could be an amendment of this Trust Agreement pursuant to Section 8.2 hereof, (iv) in connection with the issuance of Additional Bonds as provided for herein, or (v) in connection with any other change therein which is not to the prejudice of the Trustee (in the judgment of the Trustee) or the Holders. No such consent of or notice to the Holders or the Trustee shall be required with respect to any amendment to add to the description of the 2023 Real Property any property owned or to be acquired by the County (including Additional Real Property) that becomes a part thereof or, except as provided therein, in connection with the granting of easements and releases, modifications and substitutions of property pursuant to Section 3.6 of the Base Lease or Section 5.1(c) of the Purchase and Use Agreement.

SECTION 11.2. Amendments Requiring Consent of Holders. Except for the amendments, changes or modification contemplated in Section 11.1 hereof, the Trustee shall not consent to:

(a) Any amendment, change or modification of the Purchase and Use Agreement which would change the amount or time as of which Base Payments are required to be paid without the giving of notice as provided in this Section of the proposed amendment, change or modification and receipt of the written consent thereto of the Holders of all of the Outstanding Bonds; provided that this requirement shall not apply to amendments that modify Installment Payments under the Purchase and Use Agreement to provide for Additional Bonds hereunder; or

(b) Any amendment, change or modification of the Purchase and Use Agreement without the giving of notice as provided in this section of the proposed amendment, change or modification and the receipt of the written consent thereto of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds.

The consent of the Holders shall be obtained as provided in Section 8.3 hereof with respect to Supplemental Agreements. If the County shall request at any time the consent of the Trustee to any proposed amendment, change or modification of the Purchase and Use Agreement contemplated in subsections (a) or (b), upon being indemnified satisfactorily with respect to expenses and liability, the Trustee shall cause notice of the proposed amendment, change or modification to be provided in the manner which is required by Section 8.3 hereof with respect to notice of Supplemental Agreements. The notice shall set forth briefly the nature of the proposed amendment, change or modification and shall state

that the copies of the instrument or document embodying it are on file at the designated corporate trust office of the Trustee for inspection by all Holders.

Notwithstanding any other provision of this Trust Agreement, for so long as the underwriter or other purchaser of any Bonds issued pursuant to this Trust Agreement is the registered holder or beneficial owner of such Bonds, such underwriter or purchaser is authorized to assent to and consent to any amendments to the Base Lease and the Purchase and Use Agreement in the same manner and to the same extent as the Holders of such Bonds.

ARTICLE XII
MISCELLANEOUS

SECTION 12.1. Limitation of Rights. With the exception of rights conferred expressly in this Trust Agreement, nothing expressed or mentioned in or to be implied from the Base Lease, the Purchase and Use Agreement or the Bonds is intended or shall be construed to give to any Person and the parties hereto and the Holders of the Bonds any legal or equitable right, remedy, power or claim under or with respect to this Trust Agreement or any covenants, agreements, conditions and provisions contained herein. This Trust Agreement and all of those covenants, agreements, conditions and provisions are intended to be, and are, for the sole and exclusive benefit of the parties hereto and the Holders of the Bonds as provided herein.

SECTION 12.2. Severability. In case any section or provision of this Trust Agreement, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Trust Agreement, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Trust Agreement or any other covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Trust Agreement, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein and shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law from time to time.

SECTION 12.3. Notices. Except as provided in Section 7.2 hereof, it shall be sufficient service or giving of any notice, request, complaint, demand or other instrument or document, if it is mailed by first class mail, postage prepaid. Notices to the Corporation, the County and the Trustee shall be addressed as follows:

If to the County:

Lancaster County, South Carolina
Attn: County Administrator
Post Office Box 1809
Lancaster, South Carolina 29721-1809

If to the Corporation:

Lancaster County Public Facilities Corporation
Post Office Box 7391
Columbia, South Carolina 29202
(with copy to the County as described above)

If to the Trustee:

Regions Bank
1180 W. Peachtree Street, Suite 1200
Atlanta GA 30309
Attention: Corporate Trust Services

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Corporation, the Trustee or the County to one or more of the others also shall be given to the others. The foregoing parties may designate, by notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent.

In connection with any notice mailed pursuant to the provisions of this Trust Agreement, a certificate of the Trustee, the Corporation, the County or the Holders of the Bonds, whichever or whoever mailed that notice, that the notice was so mailed shall be conclusive evidence of the proper mailing of the notice.

SECTION 12.4. Suspension of Mail. If because of the suspension of delivery of first class mail or, for any other reason, the Trustee shall be unable to mail by the required class of mail any notice required to be mailed by the provisions of this Trust Agreement, the Trustee shall give such notice in such other manner as in the judgment of the Trustee shall most effectively approximate mailing thereof, and the giving of that notice in that manner for all purposes of the Purchase and Use Agreement shall be deemed to be in compliance with the requirement for the mailing thereof. Except as otherwise provided herein, the mailing of any notice shall be deemed complete upon deposit of that notice in the mail and the giving of any notice by any other means of delivery shall be deemed complete upon receipt of the notice by the delivery service.

SECTION 12.5. Payments Due on Saturdays, Sundays and Holidays. If any Bond Payment Date, redemption date or date of maturity of the principal of any Bonds is not a Business Day, then payment of interest, redemption premium (if any) or principal need not be made by the Trustee on that date, and that payment may be made on the next succeeding Business Day on which the Trustee is open for business with the same force and effect as if that payment were made on the Bond Payment Date, redemption date or date of maturity and no interest shall accrue for the period after that date.

SECTION 12.6. Instruments of Holders. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, required under this Trust Agreement to be executed by any Holder may be in any number of concurrent writings of similar tenor and may be executed by that Holder in person or by an agent or attorney appointed in writing. Proof of (i) the execution of any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, (ii) the execution of any writing appointing any agent or attorney, and (iii) the ownership of Bonds, shall be sufficient for any of the purposes of this Trust Agreement, if made in the following manner, and if so made, shall be conclusive in favor of the Trustee with regard to any action taken thereunder, namely:

(a) The fact and date of the execution by any person of any writing may be proved by the certificate of any officer in any jurisdiction, who has power by law to take acknowledgments within that jurisdiction, that the person signing the writing acknowledged that execution before that officer, or by affidavit of any witness to that execution; and

(b) The fact of ownership of Bonds shall be proved by the Register.

Nothing contained herein shall be construed to limit the Trustee to the foregoing proof, and the Trustee may accept any other evidence of the matters stated therein which it deems to be sufficient. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, of the Holder of any Bond shall bind every future Holder of the same Bond, with respect to anything done or suffered to be done by the Corporation or the Trustee pursuant to that writing.

SECTION 12.7. Priority of this Trust Agreement. This Trust Agreement and the lien created hereby shall be superior to any other liens which may be placed upon the Revenues or any Funds (or Accounts therein) created pursuant hereto, except such liens as may be required or mandated by applicable law.

SECTION 12.8. Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the Trustee contained in this Trust Agreement are and shall be deemed to be covenants, stipulations, obligations and agreements of the Trustee as such to the full extent authorized by law. No covenant, stipulation, obligation or agreement of the Trustee contained in this Trust Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any past, present or future member, officer, director, attorney, agent or employee of the Trustee or the Corporation in other than that person's official capacity. No official executing the Bonds, this Trust Agreement or any amendment or supplement hereto or thereto, shall be liable personally on the Bonds or be subject to any personal liability or accountability by reasons of the issuance or execution hereof or thereof.

SECTION 12.9. Continuing Disclosure. The County has covenanted in the Purchase and Use Agreement to provide information under Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("15c2-12"), as an Obligated Person (as defined in 15c2-12).

SECTION 12.10. Binding Effect. This Trust Agreement shall inure to the benefit of and shall be binding upon the Corporation and upon the Trustee, and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 12.11. Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

SECTION 12.12. Governing Law. This Trust Agreement and the Bonds shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

SECTION 12.13. Limitation of Liability of Corporation. All payments to be made by the Corporation or obligations of the Corporation hereunder are payable solely from the Trust Estate and Revenues derived therefrom.

IN WITNESS WHEREOF, the Corporation has caused this Trust Agreement to be executed and delivered for it and in its name and on its behalf by its duly authorized officers, and the Trustee has caused this Trust Agreement to be executed and delivered for it and in its name and on its behalf by its duly authorized officer, on the dates of the respective acknowledgments but all as of the day and year first above written.

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

(SEAL)

Attest:

By:_____
Its: President

By:_____
Secretary/Treasurer

REGIONS BANK, as Trustee

By:_____
Its: Vice President

EXHIBIT A

[FORM OF BOND]

Unless this bond is presented by an authorized representative of The Depository Trust Company, New York, New York ("DTC") to Lancaster County Public Facilities Corporation or its agent for registration of transfer, exchange, or payment and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Registered
No. R-1 $_____

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION,
INSTALLMENT PURCHASE REVENUE BONDS
(LANCASTER COUNTY PROJECT)
SERIES 2023

Interest Rate	**Maturity Date**	**Dated Date**	**CUSIP**
_____%	December 1, _____	_____, 2023	80585U___

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

Lancaster County Public Facilities Corporation (the "Corporation"), a nonprofit corporation organized and existing under the laws of the State of South Carolina (the "State"), for value received hereby acknowledges itself obligated to, and promises to pay the Registered Owner identified above, or registered assigns, but only out of the sources pledged for that purpose as hereinafter provided, and not otherwise, on the Maturity Date set forth above, and to pay interest on the unpaid balance of said sum from the most recent June 1 or December 1 to which interest has been paid or for which due provision has been made or, if no interest has been paid, from the Dated Date set forth above, at the rate of interest per annum set forth above (calculated on the basis of a 360-day year of twelve 30-day months) payable on June 1 and December 1 (each a “Bond Payment Date”) of each year commencing June 1, 2024, until the Corporation's obligation with respect to payment of the principal amount is discharged.

Interest is payable to the person in whose name this bond is registered at the close of business on the 15th day next preceding each Bond Payment Date, except that interest not duly paid or provided for when due shall be payable to the person in whose name this bond is registered at the close of business on a special record date to be fixed for the payment of defaulted interest. Such defaulted interest shall be payable to the Holder in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed to the Holders of the Bonds not less than five days prior to such special record date to Holder thereof at the address as it appears on

the bond register not less than 10 days preceding such special record date. If the Trustee registers the transfer of this bond subsequent to the mailing of such notice and on or before the special record date, any such notice of payment of defaulted interest shall be binding upon the transferee and a copy of the notice of payment of defaulted interest shall be delivered by the Trustee to the transferee along with the bond or bonds.

Principal of and interest on this bond are payable in lawful money of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts. Payments of interest will be made by check or draft drawn upon Regions Bank, as trustee (the "Trustee"), and mailed to the person entitled thereto. Principal, when due, shall be paid upon surrender of this bond at the designated corporate trust office of the Trustee, initially its corporate trust office located in Atlanta, Georgia. At the written request addressed to the Trustee or the Holder of the Bonds in the aggregate principal amount of at least $1,000,000, interest and redemptions of principal shall be paid by wire transfer or other means acceptable to the Trustee to an account within the continental United States by prior written instructions filed with the Trustee not later than the Record Date for such purpose.

The Bonds and the interest thereon and redemption premium, if any, shall be an obligation of the Corporation, and shall be secured by and payable from the Trust Estate (as defined in the hereafter defined Trust Agreement). The Bonds do not and shall not be deemed to constitute or create an indebtedness, liability or obligation of Lancaster County, South Carolina (the "County") within the meaning of any State constitutional provision or statutory limitation or a pledge of the full faith and credit or taxing power of the County. The Bonds and the interest thereon are payable from and secured by the Trust Estate as described in and subject to limitations set forth in the Trust Agreement for the equal and ratable benefit of the Holder, from time to time, of the Bonds.

This bond is one of a series of Bonds of the Corporation limited in aggregate original face amount to $_____ and designated as Lancaster County Public Facilities Corporation, Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023 (the "Bonds"), issued under a Trust Agreement, dated _____, 2023 (the "Trust Agreement"), between the Corporation and the Trustee, to provide funds to finance the costs of acquiring, constructing, installing and equipping new and existing public facilities (the "2023 Projects") to be sold by the Corporation to the County pursuant to an Installment Purchase and Use Agreement dated _____, 2023 (the "Purchase and Use Agreement"), and to finance all or a portion of the costs of constructing new facilities (the "Ancillary Projects") which will not be subject to the Purchase and Use Agreement, all by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and statutes of the State, and pursuant to a resolution duly adopted by the Board of Directors of the Corporation. The County Council of the County has also adopted an ordinance approving the Corporation and the issuance of the Bonds by the Corporation. The County has leased the real property on which the 2023 Projects are or will be located to the Corporation under the terms of a Base Lease and Conveyance Agreement dated _____, 2023 (the "Base Lease").

Pursuant to the Trust Agreement, the Corporation has granted to the Trustee for the benefit of the owners of the Bonds, a security interest in the Trust Estate which includes the Revenues (as defined in the Trust Agreement) consisting of the Installment Payments (as defined in the Trust Agreement) payable by the County under the Purchase and Use Agreement, any other sums arising under the Purchase and Use Agreement, amounts on deposit from time to time in the funds and accounts created pursuant to the Trust Agreement and the investment income therefrom. The Trust Agreement further provides that the Corporation may issue additional bonds secured on a parity with the Bonds by the Trust Estate under the terms and conditions and to the extent described in the Trust Agreement. The County's obligation to pay Installment Payments under the Purchase and Use Agreement is subject to annual appropriations and the obligation may be terminated at the end of any fiscal year of the County by an Event of Nonappropriation

(as defined in the Purchase and Use Agreement). UPON THE OCCURRENCE OF AN EVENT OF NONAPPROPRIATION, THE COUNTY MAY TERMINATE THE PURCHASE AND USE AGREEMENT AS OF THE END OF THE FISCAL YEAR DURING WHICH SUCH EVENT OF NONAPPROPRIATION OCCURS, AND THE COUNTY SHALL NOT BE OBLIGATED TO MAKE PAYMENT OF THE INSTALLMENT PAYMENTS BEYOND THE END OF SUCH FISCAL YEAR.

Counterparts or copies of the Trust Agreement, the Purchase and Use Agreement, the Base Lease and the other documents referred to herein are on file at the corporate trust office of the Trustee in Atlanta, Georgia, and reference is hereby made thereto and to the documents referred to therein for the provisions thereof, including the provisions with respect to the rights, obligations, duties and immunities of the Corporation, the County, the Trustee and the Holder of the Bonds under such documents, the security for the Bonds and the conditions under which additional bonds may be issued thereunder to all of which the Registered Owner hereof, by acceptance of this bond, assents.

The Bonds are subject to redemption prior to maturity as provided in the Trust Agreement, and as described in the following lettered paragraphs:

(a) In the event the County exercises its option pursuant to the Purchase and Use Agreement to prepay Base Payments, the Bonds may be redeemed by the Corporation in whole or in part at any time on and after December 1, _____, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date.

(b) In the event the County elects to prepay Installment Payments pursuant to Section 7.3 of the Purchase and Use Agreement, the Bonds shall be subject to redemption in whole or in part on any date (as selected by the Trustee at the direction of the Corporation), at a price equal to 100% of the principal amount of the Bonds so redeemed, without premium, plus accrued interest to the date of redemption.

(c) The Bonds maturing on December 1, _____ (the "Term Bonds") are subject to mandatory sinking fund redemption, at a redemption price equal to the principal amount to be redeemed plus accrued interest, if any, to the redemption date, without premium on June 1 for each of the years and in each of the amounts as follows:

Term Bonds Maturing December 1, _____

Year	Amount

_____

[†]Final Maturity.

The amounts of any mandatory sinking fund redemptions set forth above will be reduced to the extent the Term Bonds have been purchased by the Corporation or redeemed by the Corporation pursuant to the optional redemption provisions described above, in such manner as the Corporation directs or, absent such direction, on a pro-rata basis.

Notice of redemption shall be given by the Trustee by first class mail, postage prepaid, to the Registered Owners of the Bonds to be redeemed at their addresses appearing on the Register maintained by the Trustee, said mailing to be not less than 30 days, but not more than 60 days, prior to the

redemption date. Failure of the Trustee to give any notice of redemption or any defects in such notice shall not affect the validity of the redemption of any other Bonds.

The Registered Owner of this bond shall have no right to enforce the provisions of the Trust Agreement or to institute an action to enforce the covenants thereof, or to take any action with respect to a default hereof, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Trust Agreement.

Upon the occurrence of certain Events of Default (as defined in the Trust Agreement), all Bonds may be declared immediately due and payable and thereupon shall become and be immediately due and payable as provided in the Trust Agreement.

The Bonds are issuable only in fully registered form. Subject to the limitations provided for in the Trust Agreement, this bond may be exchanged for a like aggregate principal amount payable at maturity of Bonds of the same maturity in authorized denominations.

The Bonds are transferable by the Registered Owner thereof in person or by his attorney duly authorized in writing at the designated corporate trust office of the Trustee, but only in the manner and subject to the limitations provided for in the Trust Agreement and upon surrender and cancellation of this bond. Upon such transfer a new Bond or Bonds of the same maturity and in authorized denominations for the same aggregate principal amount payable at maturity will be issued to the transferee in exchange. The Trustee may require a Registered Owner, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Trust Agreement in connection with the exchange or transfer. The Trustee need not exchange or register the transfer of a Bond which has been selected for redemption and need not exchange or register the transfer of any Bond for a period of 15 days before a selection of Bonds to be redeemed or before any June 1 or December l. The Corporation, the County, the Trustee and any paying agent may treat the Registered Owner of this bond as the absolute owner for the purpose of receiving payment as herein provided and for all other purposes and none of them shall be affected by any notice to the contrary.

Under the laws of the State, this Bond and the income herefrom are exempt from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this bond have existed, have happened and have been performed in due form, time and manner as required by law.

IN WITNESS WHEREOF, the Corporation has caused this bond to be executed and attested by the manual signatures of its duly authorized officers, and this bond to be authenticated by the manual signature of an authorized representative of the Trustee, without which authentication this bond shall not be valid nor entitled to the benefits of the Trust Agreement.

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

By:_____
President

(SEAL)

Attest: _____
Secretary

TRUSTEE'S AUTHENTICATION CERTIFICATE

The undersigned Trustee hereby certifies that this is one of the Bonds described in the within mentioned Trust Agreement.

Date of Authentication: _____, 2023

REGIONS BANK, as Trustee

By:_____
Authorized Signatory

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Transferee)

the within Bond and does hereby irrevocably constitute and appoint attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ By: _____
(Authorized Officer)

Signature Guaranteed

_____
Notice: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP") or similar program.

_____
Notice: The signature to the assignment must correspond with the name of the registered holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common

TEN ENT - as tenants by the entireties

JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT -

_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to
Minors Act _____
(State)

Additional abbreviations may also be used though not in above list.

EXHIBIT B

[FORM OF REQUISITION]

DIRECTION TO MAKE DISBURSEMENT

Requisition No. ____

Regions Bank
1180 W. Peachtree Street, Suite 1200
Atlanta, Georgia 30309
Attention: Corporate Trust Department

Re: $_____ Lancaster County Public Facilities Corporation,
Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023.

Gentlemen:

As Trustee under the Trust Agreement dated _____, 2023 (the "Trust Agreement"), between you and Lancaster County Public Facilities Corporation (the "Corporation") and in accordance with the provisions of Section 5.3 of the Trust Agreement, you are hereby directed to disburse from the Project Fund the sum of $_____, payable to the persons and in the amounts and at the addresses set forth in Schedule I attached hereto, said sum being the total of amounts due for or attributable to the items described in said Schedule I. Included herewith is documentation supporting the payments requested herein.

In this connection, we further certify to you as follows:

A. The amounts to be paid hereunder (i) are due and payable, (ii) are for costs of the 2023 Projects that are properly capitalizable into the cost of acquiring tangible real or tangible personal property, and (iii) have not been the subject of any previous requisition from the Project Fund.

B. All representations and warranties of Lancaster County, South Carolina (the "County") and the Corporation, as the case may be, in the Purchase and Use Agreement are true and correct in all material respects as of the date hereof.

C. Neither the County nor the Corporation, as the case may be, is in default in any material respects under any provisions of the Purchase and Use Agreement.

Dated this _____day of_____, 20__.

LANCASTER COUNTY, SOUTH CAROLINA

By:_____
County Representative

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

By:_____
Corporation Representative

EXHIBIT C

[FORM OF FINAL REQUISITION]

DIRECTION TO MAKE FINAL DISBURSEMENT

Requisition No. ____

Regions Bank
1180 W. Peachtree Street, Suite 550
Atlanta, Georgia 30328
Attention: Corporate Trust Department

Re: $_____ Lancaster County Public Facilities Corporation,
Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023

Gentlemen:

As Trustee under the Trust Agreement dated _____, 2023 (the "Trust Agreement"), between you and Lancaster County Public Facilities Corporation (and the "Corporation") and in accordance with the provisions of Section 5.3 of the Trust Agreement, you are hereby directed to disburse from the Project Fund as the case may be, the total sum of $_____, payable to the persons and in the amounts and at the addresses set forth in Schedule I attached hereto, said sum being the total of amounts due for or attributable to the items described in said Schedule I. Said sum represents the final requisition from said Project Fund. Included herewith is documentation supporting the payments requested herein.

In this connection, we further certify to you as follows:

A. The amounts to be paid hereunder (i) are due and payable, (ii) are for costs of the 2023 Projects that are properly capitalizable into the cost of acquiring tangible real and tangible personal property, and (iii) have not been the subject of any previous requisition from the Project Fund.

B. All representations and warranties of Lancaster County, South Carolina (the "County") and the Corporation, as the case may be, in the Purchase and Use Agreement are true and correct in all material respects as of the date hereof.

C. Neither the County nor the Corporation, as the case may be, is in default in any material respects under any provisions of the Purchase and Use Agreement.

D. The 2023 Projects are free and clear of all liens and encumbrances for labor or materials furnished by the Corporation and all contractors, subcontractors and materialmen retained by the County and all contractors, subcontractors and materialmen performing work on the 2023 Projects have been, or upon receipt by the County of the payment of the final requisition request will be, paid in full, except for those the Corporation is contesting in good faith and with due diligence as permitted under the Purchase and Use Agreement.

We further certify to you that the 2023 Projects have been substantially completed in accordance with all Acquisition or Construction Contracts (as defined in the Purchase and Use Agreement) and the terms and conditions of the Purchase and Use Agreement, and that the 2023 Projects as completed comply in all material respects with all applicable governmental regulations.

Further, the undersigned County Representative certifies that the Ancillary Projects have been substantially completed in accordance with all applicable construction contracts and in terms and conditions of the Purchase and Use Agreement, and that the Ancillary Projects are completed comply to all material respects with all applicable governmental regulations. As used in this certificate, "substantial completion" of the 2023 Projects shall mean completion such that a certificate of occupancy has been, or could be, issued notwithstanding the fact that certain minor items of work remain to be done.

Dated this _____day of_____, 20__.

LANCASTER COUNTY, SOUTH CAROLINA

By:_____
County Representative

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

By:_____
Corporation Representative

EXHIBIT G

FORM OF BOND PURCHASE AGREEMENT

related to

$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023

Dated: November [16], 2023

BOND PURCHASE AGREEMENT

SECTION 1. Parties and Relevant Dates.

County: Lancaster County, South Carolina, Attn: County Administrator, Post Office Box 1809, Lancaster, South Carolina 29721-1809.

Issuer: Lancaster County Public Facilities Corporation, c/o Lancaster County, South Carolina, Post Office Box 1809, Lancaster, South Carolina 29721-1809.

Underwriter: Piper Sandler & Co.

Series 2023 Bonds: $[Amount] Lancaster County Public Facilities Corporation Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023.

Acceptance Deadline: November [16], 2023, 5:00 p.m., Columbia, South Carolina time.

Effective Date and Time: November [16], 2023, ___ p.m., Columbia, South Carolina time.

Closing Date: December [14], 2023.

SECTION 2. Defined Terms

All capitalized terms used in this Agreement and not otherwise defined are used as defined in the Issuer Authorization, the County Authorization, or the Preliminary Official Statement:

Acceptance Deadline: The date set forth in Section 1, being the date and time by which the Issuer must accept this Agreement.

Agreement: This Bond Purchase Agreement, dated the Effective Date, including all Appendices attached hereto.

Assignment Agreement: The Assignment Agreement dated the Closing Date between the Issuer and the Trustee.

Base Lease: The Base Lease and Conveyance Agreement dated the Closing Date between the Issuer and the County.

Bond Counsel: Burr & Forman LLP ("Burr Forman")

Closing Date: The date set forth in Section 1, being the date of the issuance and delivery of the Series 2023 Bonds.

Continuing Disclosure Certificate: The Continuing Disclosure Certificate of the County dated the Closing Date with respect to the Series 2023 Bonds in accordance with Rule 15c2-12.

County Authorization: Ordinance No. ____ enacted by the County Council of the County on [October 9], 2023, approving the issuance of the Series 2023 Bonds.

County: The County named in Section 1.

County's Counsel: [Name of County Counsel], [City, South Carolina].

County Documents: All financing documents to which the County is a party relating to the issuance of and security for the Series 2023 Bonds, as such documents are amended and supplemented to the Closing Date, including, but not limited to:

(i) the Continuing Disclosure Certificate, if contained separately or in the County Authorization,

(ii) other applicable financing or operative documents to which the County is a party, as such documents are amended and supplemented to the Closing Date, including the Base Lease and the Installment Purchase and Use Agreement.

Creditors' Rights Laws: Limitations on enforceability as may result from bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally from time to time in effect and from the application of general principles of equity and from public policy limitations on the exercise of any rights to indemnification and contribution.

DTC: The Depository Trust Company.

Effective Date and Time: The date and time that this Agreement is effective, as set forth in Section 1.

End of the Underwriting Period: The later of (i) the Closing Date or (ii) the date on which the Underwriter no longer retains an unsold balance of the Series 2023 Bonds for sale to the public.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Excluded Sections: For purposes of the representations and warranties of the Issuer set forth in Sections 8(a)(viii) and (ix) and the opinions of Issuer's Counsel, the "Excluded Sections" of the Preliminary Official Statement and the Official Statement shall be: (i) the section describing DTC and its affiliates and its book-entry procedures, (ii) the section captioned "MISCELLANEOUS – Underwriting," (iii) information on the inside cover page as to the initial public offering price and the stabilization language; and (iv) the following additional sections, if any: All sections except for the sections captioned "THE ISSUER" and the information with respect to the Issuer, if any, appearing under the caption "LEGAL MATTERS – Litigation."

Installment Purchase and Use Agreement: The Installment Purchase and Use Agreement dated the Closing Date between the Issuer and the County.

Issuer: The Issuer of the Bonds, as identified in Section 1.

Issuer Authorization: The Resolution adopted by the Board of Directors of the Issuer on October [4], 2023, authorizing the issuance of the Series 2023 Bonds.

Issuer Documents: All financing documents to which the Issuer is a party relating to the issuance of and security for the Series 2023 Bonds, as such documents are amended and supplemented to the Closing Date, including, but not limited to:

(i) this Agreement,

(ii) other applicable financing or operative documents to which the Issuer is a party, as such documents are amended and supplemented to the Closing Date, including the Trust Agreement, the Installment Purchase and Use Agreement, the Base Lease and the Assignment Agreement.

Issuer's Counsel: Burr Forman, Columbia, South Carolina.

MSRB: Municipal Securities Rulemaking Board.

Official Statement: Official Statement dated November [16], 2023, relating to the Series 2023 Bonds, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Preliminary Official Statement: Preliminary Official Statement dated November ___, 2023, relating to the Series 2023 Bonds, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Primary Offering Disclosure Period: The period commencing with the first submission to an underwriter of an order for the purchase of the Series 2023 Bonds or the purchase of such Series 2023 Bonds from the Issuer, whichever first occurs, and ending 25 days after the final delivery by the Issuer or its agent of all Series 2023 Bonds to or through the underwriting syndicate or sole underwriter.

Purchase Price: The amount specified in Section 5 as the Purchase Price to be paid by the Underwriter at the Closing for the purchase of the Series 2023 Bonds on the Closing Date.

Rule 15c2-12: Rule 15c2-12 promulgated by the SEC under the Exchange Act.

SEC: Securities and Exchange Commission of the United States.

Securities Act: The Securities Act of 1933, as amended.

Series 2023 Bonds: The Bonds identified in Section 1.

State: South Carolina.

Trust Agreement: The Trust Agreement dated the Closing Date between the Issuer and the Trustee.

Trustee: Regions Bank, acting as trustee and registrar/paying agent for the Series 2023 Bonds.

Trust Estate: The Trust Estate, as defined in the Trust Agreement.

Trust Indenture Act: Trust Indenture Act of 1939, as amended.

Underwriter: The firm identified as such in Section 1.

Underwriter's Counsel: Pope Flynn, LLC, Columbia, South Carolina.

SECTION 3. Offer to Purchase the Series 2023 Bonds; Execution of Terms and Acceptance

The Issuer and the Underwriter are entering into this Agreement to provide for the purchase and sale of the Series 2023 Bonds. The Series 2023 Bonds are further described in Schedule I attached hereto.

The Underwriter hereby offers to purchase all (but not less than all) of the Series 2023 Bonds from, and to enter into this Agreement with, the Issuer. This offer is subject to acceptance by the Issuer by the Acceptance Deadline and, if not so accepted, will be subject to withdrawal by the Underwriter by written notice delivered to the Issuer at any time prior to acceptance. This Agreement will be binding upon the Underwriter and the Issuer upon the (i) Issuer's validly authorized acceptance by execution of this Agreement and its delivery to the Underwriter at or prior to the Acceptance Deadline, and (ii) receipt by the Underwriter at or prior to the Acceptance Deadline, of the General Certificate of Lancaster County, South Carolina (the "County Certificate") substantially in the form attached hereto as Exhibit F, which

must be duly executed and delivered by an authorized official of the County. This Agreement is effective as of the Effective Date and Time.

SECTION 4. Purchase of the Series 2023 Bonds

The Underwriter shall purchase from the Issuer, and the Issuer shall sell to the Underwriter, all (but not less than all) of the Series 2023 Bonds on the Closing Date at the aggregate Purchase Price set forth in Section 5, plus accrued interest, if any. The Series 2023 Bonds shall bear interest at the rates per annum, mature on the dates, be sold to the public at the prices and pursuant to such other terms and provisions, all as set forth in Schedule I. The Series 2023 Bonds otherwise shall be as described in the Official Statement, the Issuer Authorization and the Issuer Documents. The Underwriter's agreement to purchase the Series 2023 Bonds from the Issuer is made in reliance upon the Issuer's representations, covenants and warranties and on the terms and conditions set forth in this Agreement.

The Issuer acknowledges and agrees that: (i) the primary role of the Underwriter, as an underwriter, is to purchase the Series 2023 Bonds for resale to investors in an arm's-length commercial transaction between the Issuer and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Issuer; (ii) the Underwriter is acting solely as a principal in connection with the purchase and sale of the Series 2023 Bonds and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer or any other person or entity and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby (other than those obligations imposed by applicable law, if any) expressly are set forth in this Agreement; and (iv) the Issuer has consulted its own legal, accounting, and financial advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

SECTION 5. Purchase Price

On the basis of the representations, warranties, and covenants contained herein (including the County Certificate) and in the other agreements referred to herein, which agreements are presently in draft form and must be finalized as contemplated in Section 11(a) hereof, and subject to the terms and conditions herein set forth, the Underwriter hereby agrees to purchase from the Issuer at the Closing Time (as defined herein) and the Issuer hereby agrees to sell to the Underwriter at the Closing Time, the Series 2023 Bonds at a price of $_____ (consisting of $_____ par amount of the Series 2023 Bonds, plus [net] original issue premium of $_____, less underwriter's discount of $_____). The Purchase Price shall be payable on the Closing Date by the Underwriter to or as directed by the Issuer by wire transfer in immediately available funds. In accordance with Section 14, the Underwriter also will be reimbursed for those out-of-pocket expenses described therein.

SECTION 6. Public Offering

The Underwriter agrees to make a bona fide initial public offering of all the Series 2023 Bonds in compliance with federal and state securities laws, at a price not in excess of the initial offering price set forth in the Official Statement. The Underwriter may change the initial offering price or prices as it deems necessary in connection with the offering of the Series 2023 Bonds without any requirement of prior notice, and may offer and sell the Series 2023 Bonds to certain institutions at prices lower than those stated in the Official Statement. The Underwriter shall execute and deliver prior to the Closing an "issue price" or similar certificate as further described in Section 12 in form and substance reasonably satisfactory to the Issuer, Bond Counsel and the Underwriter.

SECTION 7. Official Statement

With the consent of the Issuer and the County, the Underwriter has distributed a Preliminary Official Statement in connection with the marketing of the Series 2023 Bonds. The Series 2023 Bonds will be offered for sale by the Underwriter pursuant to a final Official Statement, which will be in substantially the form of the Preliminary Official Statement, together with such changes as are necessary to incorporate the terms of the Series 2023 Bonds contemplated herein. The Issuer hereby represents and warrants that the Preliminary Official Statement previously furnished to the Underwriter was "deemed final" by the Issuer as of its date for purposes of Rule 15c2-12, except for items marked as preliminary or permitted omissions pursuant to Rule 15c2-12(b)(1).

Further:

(a) The Issuer, at its cost, shall provide, or cause to be provided, to the Underwriter within seven (7) business days after the date of this Agreement (or within such shorter period as may be approved by the Underwriter or required by applicable rule) such number of copies of a final Official Statement as is reasonably requested by the Underwriter, but in sufficient quantity to permit the Underwriter to comply with paragraph (b)(4) of Rule 15c2-12, and Rule G-32 and any other applicable rules of the SEC and the MSRB.

(b) The Issuer authorizes the Underwriter to file, to the extent required by any applicable SEC or MSRB rule, and the Underwriter agrees to so file, the Official Statement with the MSRB or its designee. If an amended Official Statement is prepared during the Primary Offering Disclosure Period, and if required by any applicable SEC or MSRB rule, the Underwriter also shall make the required filings of the amended Official Statement. The Issuer shall provide the Underwriter with the information necessary to complete MSRB Form G-32 for all filings to be made under this Section 7.

(c) The Preliminary Official Statement and the Official Statement may be delivered in printed and a "designated electronic format" as defined in the MSRB's Rule G-32 and as may be agreed by the Issuer and the Underwriter. If the Official Statement has been prepared in electronic form, the Issuer hereby confirms that it does not object to distribution of the Official Statement in electronic form.

(d) The Issuer shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. The Issuer covenants to notify the Underwriter promptly if, on or prior to the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the Issuer and the Underwriter) any event shall occur, or information comes to the attention of the Issuer, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and if in the opinion of the Underwriter such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriter, at the Issuer's expense, such number of copies of the supplement or amendment to the Official Statement, in (i) a "designated electronic format" consistent with the requirements of the MSRB's Rule G-32 and (ii) a printed format form in substance mutually agreed upon by the Issuer and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing Date, the Issuer also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Agreement, the *"End of the Underwriting Period"* will mean the later of (a) the Closing Date or (b) the time that the Underwriter no longer retains an unsold balance of the Series 2023 Bonds for sale to the public. Unless otherwise notified in writing by the Underwriter prior to the Closing Date, the Issuer shall treat the Closing Date as the *"End of the Underwriting Period."* In such case, the Underwriter shall promptly notify the Issuer and the County in writing of the date that is the *"End of the Underwriting Period."*

SECTION 8. Representations and Warranties

(a) Representations and Warranties of the Issuer. The Issuer, based on the County Certificate, hereby agrees with, and makes the following representations and warranties to the Underwriter, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(i) The Issuer is duly created and existing under the laws of the State and has full legal right, power and authority under the Constitution and laws of the State to adopt the Issuer Authorization, to execute and deliver the Issuer Documents and the Official Statement, to issue, sell and deliver the Series 2023 Bonds as provided herein, and to carry out and to consummate the transactions contemplated by the Issuer Authorization, the Issuer Documents and the Official Statement.

(ii) By all necessary corporate action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved (A) the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement for use by the Underwriter in connection with the public offering of the Series 2023 Bonds, (B) the issuance and sale of the Series 2023 Bonds upon the terms set forth herein and as contemplated by the Issuer Authorization, the Issuer Documents and the Official Statement, and (C) the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Series 2023 Bonds, the Issuer Authorization and the Issuer Documents.

(iii) The Series 2023 Bonds will be issued in conformity with and entitled to the benefit and security of the Issuer Authorization and the Issuer Documents, including the pledge or application thereunder of the Trust Estate.

(iv) This Agreement constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms; the other Issuer Documents, when duly executed and delivered by the Issuer and assuming the due execution and delivery by the other parties thereto, will constitute the legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms; and the Series 2023 Bonds, when issued, authenticated and delivered in accordance with the Issuer Documents and sold to the Underwriter as provided herein, will be the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms; in all cases, except as to the enforceability of this Agreement, the other Issuer Documents and the Series 2023 Bonds may be limited by application of Creditors' Rights Laws.

(v) Except as may be described in the Preliminary Official Statement or the Official Statement, the Issuer is not in breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the State or the United States ("Legal Requirements") or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument ("Contractual Requirements") to which the Issuer is a party or to which the Issuer is or any of its property or assets are otherwise subject, and no event has occurred and is continuing

which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the Issuer under any of the foregoing.

(vi) The adoption, execution and delivery by the Issuer of the Series 2023 Bonds, the Issuer Authorization and the Issuer Documents, and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a breach of or default under any Legal Requirements or Contractual Requirements to which the Issuer is a party or to which the Issuer or any of its property or assets are otherwise subject, and such adoption, execution, delivery or compliance will not result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature upon the Trust Estate or the property or assets, if any, of the Issuer to be pledged to secure the Series 2023 Bonds or under the terms of any such law, regulation or instrument, except as provided by the Series 2023 Bonds, the Issuer Authorization and the Issuer Documents.

(vii) All authorizations, approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which are required to be obtained by the Issuer for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect, the issuance of the Series 2023 Bonds or the due performance by the Issuer of its obligations under the Issuer Authorization, the Issuer Documents and the Series 2023 Bonds have been duly obtained or will be obtained prior to the Closing, except: (A) such authorizations, approvals, consents and orders, if any, as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Series 2023 Bonds, and (B) authorizations, approvals, consents and orders that are required to be obtained or renewed periodically, such as budgets, licenses and permits.

(viii) Except for information which is marked as preliminary or permitted to be omitted pursuant to Rule 15c2-12(b)(1), the Preliminary Official Statement as of its date did not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, the Issuer makes no statement as to the Excluded Sections of the Preliminary Official Statement.

(ix) The Official Statement as of its date does not and as of the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, the Issuer makes no statement as to the Excluded Sections of the Official Statement.

(x) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any State court, agency, public board or body, pending or, to the knowledge of the Issuer, threatened in writing against the Issuer: (A) affecting the existence of the Issuer or the titles of its officers to their respective offices, (B) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Series 2023 Bonds or the pledge or collection by the Issuer of the Trust Estate or the making of any other required deposits with respect to the Series 2023 Bonds, (C) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to issue, adopt or to enter into (as applicable), the Series 2023 Bonds, the Issuer Authorization or the Issuer Documents, (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement (except as marked preliminary or permitted to be omitted pursuant to Rule 15c2-12) or the Official Statement, or any amendment or supplement thereto, (E) except as disclosed

in the Preliminary Official Statement or the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to pledge or apply the Trust Estate or to pay debt service on the Series 2023 Bonds, or (F) contesting the status of the interest on the Series 2023 Bonds as excludable from gross income for federal income tax purposes or the status of the interest on the Series 2023 Bonds as exempt from any applicable state tax, in each case as described in the Official Statement.

(xi) The Issuer has received all licenses, permits or other regulatory approvals required to be obtained by the Issuer, if any, for the pledge, collection and/or application by the Issuer of the Trust Estate and the Issuer is not in material default, and no event has occurred which would constitute or result in a material default, under any such licenses, permits or approvals.

(xii) The Issuer Authorization, the Issuer Documents and the Series 2023 Bonds conform to the description thereof contained in the Official Statement.

(xiii) The Issuer has the legal authority to apply proceeds of the Series 2023 Bonds for the purposes contemplated by the Issuer Authorization and the Issuer Documents, including for the payment or reimbursement of incidental expenses in connection with the marketing, issuance and delivery of the Series 2023 Bonds to the extent required by this Agreement and in compliance with applicable law. The Issuer is a nonprofit corporation issuing the Series 2023 Bonds on behalf of and for the benefit of the County, which is a body politic and corporate and a political subdivision of the State.

(b) Covenants of the Issuer. The Issuer hereby covenants with the Underwriter that:

(i) Prior to the Closing Date, except as otherwise contemplated by the Official Statement, the Issuer shall not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the Trust Estate or other assets, properties, funds or interests that will be pledged as security for the Series 2023 Bonds pursuant to the Issuer Documents.

(ii) The Issuer shall cooperate with the Underwriter in the qualification of the Series 2023 Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions, to the extent applicable, as the Underwriter may request; provided that the Issuer shall not be required to qualify as a foreign corporation in, or submit to the general jurisdiction of, any other state or to file any general or special consents to service of process under the laws of any jurisdiction.

(iii) The Issuer shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2023 Bonds, or the exemption from any applicable state tax, of the interest on the Series 2023 Bonds.

(c) Representations and Warranties of the Underwriter. The Underwriter hereby agrees with, and makes the following representations and warranties to, the Issuer and the County, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

(i) The Underwriter is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

(ii) This Agreement has been duly authorized, executed and delivered by the Underwriter and, assuming the due authorization, execution and delivery by the Issuer, is the legal, valid and binding obligation of the Underwriter enforceable in accordance with its terms, except as the enforceability of this Agreement may be limited by application of Creditors' Rights Laws.

(iii) The Underwriter represents that it is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

SECTION 9. Rating; Limited Obligations

The following rating on the Series 2023 Bonds shall be in effect on the Closing Date:

[Moody's]: "___"

The Underwriter acknowledges that the Series 2023 Bonds and the pecuniary obligations of the Issuer under this Agreement do not constitute a debt or a pledge of the faith and credit or the taxing power of the County or the State or any political subdivision thereof, but are the Issuer's limited obligations payable solely from the installment payments of purchase price received under the Installment Purchase and Use Agreement.

SECTION 10. Closing

The delivery of and payment for the Series 2023 Bonds shall be the "Closing" for the Series 2023 Bonds and shall occur at or prior to 1:00 p.m., New York City time, on the Closing Date (the "Closing Time"), or at such other time or on such other date as may be mutually agreed by the Underwriter and the Issuer. The location of the Closing shall be Burr Forman, 1221 Main Street, Suite 1800, Columbia, South Carolina 29201.

At the Closing, the Issuer shall deliver or cause to be delivered the Series 2023 Bonds to DTC or to the Trustee on behalf of the Underwriter, as further described in the paragraph below. The Series 2023 Bonds shall be delivered in definitive form, duly executed by the Issuer and authenticated by the Trustee, together with the other documents identified in Section 11. Subject to satisfaction of the conditions contained in this Agreement, the Underwriter will accept delivery of the Series 2023 Bonds as described above and pay the Purchase Price, plus accrued interest, if any, on the Series 2023 Bonds from their dated date to, but not including, the Closing Date, in immediately available funds, payable to the order of the Trustee or as otherwise directed by the Issuer.

Delivery of the definitive Series 2023 Bonds shall be made through the facilities of DTC's book-entry system in New York, New York, or at such other location as may be designated by the Underwriter prior to the Closing. The Series 2023 Bonds will be delivered as fully-registered bonds, bearing CUSIP numbers, with a single bond for each maturity of the Series 2023 Bonds (or, if so provided in Schedule I, for each separate interest rate within a maturity), and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2023 Bonds. Unless otherwise requested by the Underwriter, the Series 2023 Bonds will be delivered under DTC's FAST delivery system.

SECTION 11. Closing Conditions

The Underwriter's obligations hereunder shall be subject to (i) the due performance in all material respects by the Issuer of its obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with its representations and warranties contained herein in all material respects, as of the date hereof and as of the Closing Time, and (ii) the due performance in all material respects by the County of its obligations and agreements to be performed under the County Certificate at or prior to the Closing Time and to the accuracy of and compliance with its representations and warranties contained therein in all material respects, as of the date hereof and as of the Closing Time. The Underwriter's obligations are also subject to receipt of the following evidence and documents and satisfaction of the following conditions, as appropriate, at or prior to the Closing Time:

(a) The Series 2023 Bonds, the Installment Purchase and Use Agreement, the Base Lease, the Trust Agreement, the Assignment Agreement and the Continuing Disclosure Certificate shall have been duly authorized, executed, and delivered by the respective parties thereto in the forms heretofore approved by the Underwriter with only such changes therein as shall be mutually agreed upon by the parties thereto and the Underwriter, and shall be in full force and effect on the Delivery Date.

(b) There shall not have occurred, in the sole opinion of the Underwriter, any material adverse change, or any material adverse development involving a prospective change, in or affecting the business, condition (financial or other), results of operations, prospects, or properties of the County.

(c) At or before the Closing Time, the Underwriter shall receive:

(1) The opinions, dated as of the Delivery Date, of (A) [County Counsel], counsel to the County, in substantially the form attached hereto as Exhibit A; (B) Burr Forman, Bond Counsel, in substantially the forms attached as Appendix C to the Official Statement and Exhibit B hereto, (C) Burr Forman, counsel to the Issuer, in substantially the form attached hereto as Exhibit C, (D) Burr Forman, Disclosure Counsel, in substantially the form attached hereto as Exhibit D, and (E) Pope Flynn, LLC, counsel to the Underwriter, in substantially the form attached hereto as Exhibit E, all as may be in form and substance satisfactory to, and approved by, the Underwriter;

(2) A closing certificate of the Issuer, satisfactory in form and substance to the Underwriter, executed by the President of the Issuer or of any other of the Issuer's duly authorized officers satisfactory to the Underwriter, dated as of the Delivery Date, to the effect that: (A) the Issuer has duly performed and satisfied hereunder or complied with all of its obligations and conditions to be performed and satisfied hereunder at or prior to the Closing Time and each of its representations and warranties contained herein have not been amended, modified, or rescinded and is in full force and effect and is true and correct in all material respects, (B) the Issuer has duly authorized, by all necessary action, the execution, delivery, and due performance of the Series 2023 Bonds and the Issuer Documents, (C) no litigation is pending, or, to the knowledge of such representative of the Issuer after making due inquiry with respect thereto, threatened in writing against the Issuer, to restrain or enjoin the issuance or sale of the Series 2023 Bonds or in any way affecting any authority for or the validity of the Series 2023 Bonds, the Issuer Authorization, the Issuer Documents, or the Issuer's existence or powers or its right to use the proceeds of the Series 2023 Bonds as contemplated in the Trust Agreement, except as disclosed in the Official Statement, (D) all information furnished by the Issuer to the Underwriter for use in connection with the

marketing of the Series 2023 Bonds and the information contained in the Preliminary Official Statement and the Official Statement relating to the Issuer were as of the respective dates thereof and are as of the Delivery Date, true and correct in all material respects, and (E) the execution, delivery, and due performance of the Series 2023 Bonds, the Issuer Authorization, and the Issuer Documents, and the Issuer's compliance with the provisions thereof will not conflict with or be in violation of or constitute on the Issuer's part a breach of or a default under any Legal Requirement or Contractual Requirement to which the Issuer is a party or by which it or its property may be subject or bound, provided no representation is made by the Issuer as to compliance with federal or state securities or "Blue Sky" laws of any jurisdiction;

(3) A closing certificate of the County substantially in the form attached hereto as Exhibit G;

(4) A letter confirming the rating on the Series 2023 Bonds of "___" by [Moody's];

(5) A closing certificate of the Trustee, satisfactory in form and substance to the Underwriter, executed by any authorized officer of the Trustee;

(6) A Federal Tax Certificate of the Issuer and the County in form satisfactory to Bond Counsel, executed by such officials of the Issuer and the County as shall be satisfactory to the Underwriter;

(7) An Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in a form satisfactory to Bond Counsel for filing; and

(8) Such additional certificates and other documents, agreements, and opinions as the Underwriter and Underwriter's counsel may reasonably request to evidence performance of or compliance with the provisions hereof and the transactions contemplated hereby and by the Official Statement, all such certificates and other documents to be satisfactory in form and substance to the Underwriter.

The Official Statement shall be provided for distribution, at the expense of the Issuer, in such quantity as may be requested by the Underwriter no later than the earlier of (i) seven (7) business days after the date of this Agreement or (ii) one (1) business day prior to the Closing Time, in order to permit the Underwriter to comply with Rule 15c2-12, and the applicable rules of the MSRB, with respect to distribution of the Official Statement. The Issuer shall prepare the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB's Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Official Statement to the Underwriter no later than one (1) business day prior to the Closing Time to enable the Underwriter to comply with MSRB Rule G-32.

Except as indicated on the attached Exhibits, all opinions shall be addressed to the Underwriter and may also be addressed to such other parties as the giver of such opinion agrees. All certificates, if addressed to any party, shall also be addressed to the Underwriter. All such opinions, letters, certificates, and documents shall be in compliance with the provisions hereof only if they are in all material respects satisfactory to the Underwriter and Underwriter's counsel, as to which both the Underwriter and Underwriter's counsel shall act reasonably. If any condition of the Issuer's obligations hereunder to be satisfied prior to the Closing Time is not so satisfied, this Agreement may be terminated by the Underwriter by notice in writing to the Issuer. The Underwriter may waive in writing compliance by the Issuer of any one or more of the foregoing conditions or extend the time for their performance.

SECTION 12. Establishment of Issue Price

(a) The Underwriter agrees to assist the Issuer and the County in establishing the issue price of the Series 2023 Bonds and shall execute and deliver to the Issuer and the County at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit H, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer, the County and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2023 Bonds.

(b) [Except as otherwise set forth in Schedule I attached hereto,] the Issuer and the County will treat the first price at which 10% of each maturity of the Series 2023 Bonds (the "*10% test*") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Agreement, the Underwriter shall report to the Issuer and the County the price or prices at which the Underwriter has sold to the public each maturity of Series 2023 Bonds. [If at that time the 10% test has not been satisfied as to any maturity of the Series 2023 Bonds, the Underwriter agrees to promptly report to the Issuer and the County the prices at which it sells the unsold Series 2023 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Series 2023 Bonds of that maturity or (ii) the 10% test has been satisfied as to the Series 2023 Bonds of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer, the County or Bond Counsel.] For purposes of this Section, if Series 2023 Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2023 Bonds.

[(c) The Underwriter confirms that it has offered the Series 2023 Bonds to the public on or before the date of this Agreement at the offering price or prices (the "*initial offering price*"), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Agreement, the maturities, if any, of the Series 2023 Bonds for which the 10% test has not been satisfied and for which the Issuer, the County and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer and the County to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "*hold-the-offering-price rule*"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2023 Bonds, the Underwriter will neither offer nor sell unsold Series 2023 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5^{th}) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2023 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer and the County promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2023 Bonds to the public at a price that is no higher than the initial offering price to the public.]

[(d)] The Underwriter confirms that:

(i) any selling group agreement and each third-party distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Series 2023 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Series 2023 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2023 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2023 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter and as set forth in the related pricing wires, and

(B) to promptly notify the Underwriter of any sales of Series 2023 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2023 Bonds to the public (each such term being used as defined below),

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Series 2023 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2023 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2023 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2023 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or dealer that the 10% test has been satisfied as to the Series 2023 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

[(e)] The Issuer and the County acknowledge that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2023 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2023 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer and the County further acknowledge that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply

with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 Bonds.

[(f)] The Underwriter acknowledges that sales of any Series 2023 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2023 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer or the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2023 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2023 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2023 Bonds to the public),

(iii) a purchaser of any of the Series 2023 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Agreement by all parties.

SECTION 13. Termination

The Underwriter shall have the right to cancel its obligation to purchase the Series 2023 Bonds and to terminate this Agreement by written notice to the Issuer if, between the Effective Date to and including the Closing Date, in the Underwriter's sole and reasonable judgment any of the following events shall occur (each a "Termination Event"):

(a) the market price or marketability of the Series 2023 Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Series 2023 Bonds, shall be materially adversely affected by any of the following events:

(i) legislation shall have been enacted by the Congress of the United States or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation,

release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to federal or state taxation upon interest received on obligations of the general character of the Series 2023 Bonds or the Series 2023 Bonds, as applicable; or

(ii) there shall have occurred:

(A) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war, or

(B) any other calamity or crisis in the financial markets of the United States or elsewhere; or

(iii) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for Series 2023 Bonds shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(iv) legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Series 2023 Bonds or the Issuer Documents, or any comparable Series 2023 Bonds of the Issuer, are not exempt from the registration, qualification or other requirements of the Securities Act or the Trust Indenture Act or otherwise, or would be in violation of any provision of the federal securities laws; or

(v) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the Issuer shall have occurred;

(b) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriter) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Issuer or County refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Series 2023 Bonds or the ability of the Underwriter to enforce contracts for the sale of the Series 2023 Bonds; or

(c) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or

(d) a material disruption in Series 2023 Bonds settlement, payment or clearance services affecting the Series 2023 Bonds shall have occurred; or

(e) any new restriction on transactions in Series 2023 Bonds materially affecting the market for Series 2023 Bonds (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, Underwriter shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or

(f) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Series 2023 Bonds, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Series 2023 Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act.

Upon the occurrence of a Termination Event and the termination of this Agreement by the Underwriter, all obligations of the Issuer and the Underwriter under this Agreement shall terminate, without further liability, except that the Issuer and the Underwriter shall pay their respective expenses as set forth in Section 14.

SECTION 14. Payment of Expenses

The Underwriter shall be under no obligation to pay, and the Issuer shall pay from proceeds of the Series 2023 Bonds or available funds provided by the County pursuant to the Installment Purchase and Use Agreement or direct the Trustee under the Issuer Authorization, the Issuer Documents, the County Authorization and the County Documents to pay from the proceeds of the Series 2023 Bonds (to the extent permitted under applicable law), all expenses that are incidental to the performance of the Issuer's obligations under this Agreement, including but not limited to: all expenses in connection with the printing, if necessary, of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; all expenses in connection with the printing, issuance and delivery of the Series 2023 Bonds; the fees and expenses of Bond Counsel, Issuer's Counsel, County Counsel and Underwriter's Counsel; the fees and expenses of the Issuer's or the County's financial advisors, accountants, any verification consultant and all other consultants; the fees and disbursements of the Trustee; all expenses in connection with obtaining a rating or ratings for the Series 2023 Bonds; all expenses of the Issuer in connection with the preparation, printing, execution and delivery, and any recording or filing, of the Issuer Authorization, any Issuer Document, the County Authorization, any County Document or any other instrument; the Issuer's administrative fees; and all other expenses and costs of the Issuer incident to its obligations in connection with the authorization, issuance, sale and distribution of the Series 2023 Bonds. Unless the Issuer and the Underwriter otherwise agree, the Issuer shall pay for all incidental costs (including, but not limited to, transportation, lodging, meals and entertainment of Issuer personnel) incurred by or on behalf of the Issuer or the County in connection with the marketing, issuance and delivery of the Series 2023 Bonds.

The Underwriter shall pay the costs of qualifying the Series 2023 Bonds for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Series 2023 Bonds and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Series 2023 Bonds.

SECTION 15. Notices

Any notice or other communication to be given to the Issuer under this Agreement may be given by certified mail or by delivering the same in writing to the Issuer at the address shown above, Attention:

Chair with a copy provided to Bond Counsel and Issuer's Counsel, and any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to the Underwriter, Attention: Managing Director, Piper Sandler & Co., 201 S. College St., Suite 2400, Charlotte, NC 28244, or to such other addresses as one party shall furnish the other in writing for receipt of notice.

SECTION 16. Governing Law

This Agreement shall be governed by the laws of the State.

SECTION 17. Miscellaneous

This Agreement is made solely for the benefit of the signatories hereto (including the Underwriter and its successors or assigns and the Issuer) and no other person shall acquire or have any right hereunder or by virtue hereof. Neither the Issuer nor the Underwriter may assign this Agreement. The term "successor" shall not include any holder of any Series 2023 Bonds merely by virtue of such holding. All representations, warranties, agreements and indemnities contained in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, and shall survive the delivery of and payment for the Series 2023 Bonds and any termination of this Agreement. Section headings have been included in this Agreement as a matter of convenience of reference only and are not to be used in the interpretation of any provisions of this Agreement. If any provision of this Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

SECTION 18. Counterparts

This Agreement may be executed in one or more counterparts with the same force and effect as if all signatures appeared on a single instrument.

SECTION 19. Signatures

Upon execution by the Issuer and the Underwriter, this Agreement shall be binding upon the Issuer and the Underwriter as of the Effective Date and Time.

[Signature Pages Follow]

PIPER SANDLER & CO., as Underwriter

By:_____
Name: Joseph A. Niggel
Title: Managing Director

Accepted as of the date first above written:

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

By: _____
President

SCHEDULE I

DESCRIPTION OF THE BOND TERMS
SERIES 2023 BONDS
MATURITY DATE, PRINCIPAL AMOUNTS, INTEREST RATES,
YIELDS AND CUSIPS

Due (December 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP

$_____ ___% Term Bonds due December 1, 20__, Yield ____%, Price ____%, CUSIP _____

[Hold-the-Offering-Price Rule

The maturities of the Series 2023 Bonds for which the 10% test has not been satisfied as of _____, 2023: ____.]

Redemption Provisions

Optional Redemption. In the event the County exercises its option pursuant to the Installment Purchase and Use Agreement to purchase the Issuer's interest in the 2023 Facilities and pay the amounts required to defease and redeem the Series 2023 Bonds or to prepay Base Payments, or in the event the County makes a voluntary prepayment under the Installment Purchase and Use Agreement, the Series 2023 Bonds maturing on or after December 1, 20__, are subject to redemption in whole or in part on any date on or after December 1, 20__, by the Issuer at a redemption price equal to the principal amount of the Series 2023 Bonds to be redeemed plus accrued interest to the redemption date.

Special Optional Redemption. In the event the County elects to prepay Base Payments using Net Proceeds of applicable insurance policies, performance bonds, or condemnation awards pursuant to the provisions of the Installment Purchase and Use Agreement because (a) any part of the 2023 Facilities or the Ancillary Projects is totally destroyed or is damaged to such an extent that the rebuilding or repairing of such part of the 2023 Facilities or the Ancillary Projects would be impracticable, (b) there is discovered a material defect in the construction of the 2023 Facilities, the Ancillary Projects or any portion thereof that renders the 2023 Facilities, the Ancillary Projects, or such portion unusable by the County for its

intended purposes, (c) all or substantially all of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects is taken by eminent domain, or (d) the County is deprived of the use of any part of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects by reason of a defect in title thereto, the Series 2023 Bonds will be subject to redemption in whole or in part on any date, as selected by the Trustee, at the direction of the Issuer, at a price equal to 100% of the principal amount of the Series 2023 Bonds so redeemed, without premium, plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2023 Bonds maturing on December 1, 20__, are subject to mandatory sinking fund redemption, at a redemption price equal to the principal amount to be redeemed plus accrued interest, if any, to the redemption date, without premium on December 1 of the years and in the amounts as follows:

Year	Principal Amount	Year	Principal Amount
20__	$_____	___[1]	$_____

[1] Final maturity

EXHIBIT A

FORM OF COUNTY COUNSEL'S OPINION

[Closing Date]

Lancaster County Public Facilities Corporation
Lancaster, South Carolina

Lancaster County, South Carolina
Lancaster, South Carolina

Piper Sandler & Co.
Charlotte, North Carolina

Regions Bank
Atlanta, Georgia

Burr & Forman LLP
Columbia, South Carolina

$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023

Ladies and Gentlemen:

We have acted as counsel to Lancaster County, South Carolina (the "County"), preliminary to and in connection with the issuance and sale of the captioned bonds (the "Series 2023 Bonds"). In so acting, we have examined, among other things, originals, executed counterparts, or certified copies of the following:

1. The proceedings, including an ordinance of the County Council of the County enacted on October [9], 2023 (the "Ordinance"), authorizing, among other things, the execution, delivery, receipt, and approval of a Base Lease and Conveyance Agreement dated [Closing Date] (the "Base Lease"), between the County, as lessor, and Lancaster County Public Facilities Corporation (the "Issuer"), as lessee, an Installment Purchase and Use Agreement dated [Closing Date] (the "Purchase and Use Agreement"), between the County and the Issuer, the General Certificate of the County (the "General Certificate"), dated [December] 1, 2023, the Bond Purchase Agreement (the "Bond Purchase Agreement"), dated November [16], 2023, between the Issuer and Piper Sandler & Co., as underwriter (the "Underwriter"), a Preliminary Official Statement, dated November __, 2023 (the "Preliminary Official Statement"), and an Official Statement, dated November [16], 2023 (the "Official Statement"), in each case related to the Series 2023 Bonds; provided, that we have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version.

2. The Base Lease, the Purchase and Use Agreement, and the General Certificate (collectively the "County Contracts"), the Bond Purchase Agreement, the Preliminary Official Statement, and the Official Statement.

Based upon the foregoing and an examination of such other information, papers, and documents as we believed necessary or advisable to enable us to render this opinion, we are of the opinion, as of the date hereof, that:

1. The County is a body politic and corporate and a political subdivision of the State of South Carolina duly created and validly existing under and by virtue of the Constitution and statutes of the State of South Carolina and has all requisite power and authority to enact the Ordinance, to lease or convey the property demised or conveyed by the Base Lease to the Issuer, to purchase the property conveyed by the Purchase and Use Agreement from the Issuer, to enter into and consummate its obligations under the County Contracts, and to execute and deliver the Official Statement to the Underwriter for distribution to the general public in connection with the offering by the Underwriter of the Bonds.

2. Based upon the information furnished to us, the County has taken all action legally required to authorize the execution, delivery, and performance of the County Contracts, and the approval of the Preliminary Official Statement and the Official Statement.

3. The enactment by the County of the Ordinance, the authorization by the County of the Preliminary Official Statement and the Official Statement, the execution and delivery by the County of the County Contracts and the other agreements and documents described in the Bond Purchase Agreement, and the consummation by the County of the transactions described in all of the foregoing instruments and documents do not and will not conflict with or constitute, on the part of the County, a breach or violation of or default under any of the terms and provisions of the County's organizational documents, any existing constitution, statute, law, or court or administrative rule or regulation, decree, order, or judgment to which the County is subject or by which the County or any of its properties is bound or, to our knowledge, any agreement, indenture, mortgage, lease, note, resolution, ordinance, contract, commitment, or other instrument or agreement to which the County is a party or by which the County or any of its properties is bound.

4. Each of the officials of the County was on the date of execution of the County Contracts and each of the instruments required by the Bond Purchase Agreement and is on the date hereof the duly elected or appointed qualified incumbent of his or her office of the County.

5. The notices given prior to the meetings of the County Council of the County at which the Ordinance was enacted comply with the applicable notice requirements of South Carolina law, and such meetings were conducted in accordance with the applicable requirements of South Carolina law.

6. The Ordinance has been duly enacted by the County and is in full force and effect in the form in which it was enacted. The County Contracts have been duly authorized, executed, and delivered by the County and, assuming the due authorization, execution, and delivery by the other parties thereto, are each in full force and effect and constitute the valid, binding, and legally enforceable obligations of the County according to their import, and the County is entitled to the benefits of the same; provided that we give no opinion as to the enforceability of any indemnification provisions contained in the County Contracts.

7. The Official Statement has been duly authorized, executed, and delivered by the County, and the County has duly approved the use of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering of the Bonds.

8. To the best of our knowledge, after making due inquiry with respect thereto, the statements contained in the Official Statement under the captions "PLAN OF FINANCING," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2023 BONDS," "THE COUNTY," "DEBT STRUCTURE," "TAX INFORMATION," "ECONOMIC CHARACTERISTICS," "FINANCIAL INFORMATION" and "LEGAL MATTERS – Litigation" (relating to the County) are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to

state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

9. To the best of our knowledge after making due inquiring with respect thereto, no litigation is pending or threatened against the County in any court in any way affecting the titles of the officials of the County to their respective positions, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection of revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Ordinance or the County Contracts, or contesting in any way the completeness or accuracy of the Official Statement, or contesting the powers of the County or its authority with respect to the Ordinance or the County Contracts.

10. To the best of our knowledge after making due inquiry with respect thereto, no authorization, approval, consent or other order of by any governmental body (other than consents and approvals already obtained) is required for the valid authorization, execution and delivery by the County of the County Contracts and the authorization and distribution of the Preliminary Official Statement and the Official Statement.

The foregoing opinions are qualified to the extent that the enforceability of the County Contracts might be limited by (i) bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally heretofore or hereafter enacted to the extent of their enforcement, (ii) judicial discretion in the application of principles of equity, and (iii) the valid exercise of the sovereign police powers of the State of South Carolina and its governmental bodies and the constitutional powers of the United States of America.

No opinion is given as to the tax-exempt status (as applicable) of the Series 2023 Bonds or the interest thereon. No opinion is given concerning the requirement for registration of the Series 2023 Bonds under the securities laws of any state or other jurisdiction or the Securities Act of 1933, as amended, nor is an opinion given concerning qualification of any document under the Trust Indenture Act of 1939, as amended.

No opinion is given as to the any financial matters of or financial information or statistical data related to the County.

We are members of the State Bar of South Carolina. Our opinions herein are limited to the laws of the State of South Carolina and any applicable federal laws of the United States. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[Closing Date]

Piper Sandler & Co.
Charlotte, North Carolina

$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023

Ladies and Gentlemen:

We have acted as bond counsel in connection with the sale and issuance by Lancaster County Public Facilities Corporation (the "Corporation") of its $[Amount] Installment Purchase Revenue Bonds (Lancaster County Project), Series 2023 (the "Bonds"). This opinion is being delivered to you pursuant to Section 11(c)(1)(B) of the Bond Purchase Agreement dated November [16], 2023 (the "Purchase Agreement"), between the Corporation and you, as Underwriter. Terms defined in the Purchase Agreement are used in this letter with the meanings assigned to them in the Purchase Agreement.

Reference is made to our approving opinion (the "Opinion") of even date herewith as bond counsel addressed to Lancaster County, South Carolina (the "County"), and the Corporation delivered in connection with the issuance of the Bonds. You are hereby authorized to rely upon the Opinion to the same extent as if the Opinion were addressed to you, subject to the qualifications and considerations set forth in the Opinion.

In connection therewith, we have examined:

A. The Purchase Agreement.

B. The Official Statement dated November [16], 2023 (the "Official Statement"), relating to the Bonds; provided, however, that we have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version.

C. The Trust Agreement dated the date hereof (the "Trust Agreement"), between the Corporation and Regions Bank, as trustee (the "Trustee").

D. The Base Lease and Conveyance Agreement dated the date hereof (the "Base Lease") between the Corporation and the County.

E. The Installment Purchase and Use Agreement dated the date hereof (the "Purchase and Use Agreement") between the Corporation and the County.

In connection with rendering this opinion, we have relied upon the opinion of even date herewith of [County Counsel], counsel to the County, and we have also generally reviewed information furnished to us by, and have participated in conferences with you or your representatives, and representatives of the Corporation and the County. We have also reviewed other records relating to the authorization, issuance

and sale of the Bonds and have relied as to factual matters upon certificates of officials of the County and officers of the Corporation.

Based upon the foregoing and examination of such other documents, and consideration of such matters of law as we have deemed appropriate to enable us to render this opinion, we are of the opinion that:

1. The Purchase Agreement has been duly authorized, executed and delivered by the Corporation, and constitutes a binding and enforceable obligation of the Corporation in accordance with its terms, except enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity; provided, however, that we express no opinion as to the enforceability of any indemnification provisions of the Purchase Agreement.

2. The Official Statement has been duly authorized, approved and delivered by the County and the Corporation.

3. The Bonds are presently exempt from registration under the Securities Act of 1933, as amended, and no indenture need be qualified with respect to the Bonds pursuant to the Trust Indenture Act of 1939, as amended.

4. We have considered the information contained in the Official Statement under the headings entitled "INTRODUCTION - Security and Sources of Payment for the Series 2023 Bonds," and "—Description of the Series 2023 Bonds" (other than the information under "*-Book Entry Bonds"* and "*-Payments"* therein); "THE SERIES 2023 BONDS" (other than the information under "—Book-Entry System," "—Procedure in the Event of Revision or Discontinuation of Book-Entry Transfer System" and "—Principal and Interest Requirements" therein); "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2023 BONDS" (other than the information under "—Source of Installment Payments" and "—Enforceability of Remedies"), and "Appendix B – Definitions and Summaries of Principal Documents" and are of the opinion that, insofar as such statements purport to summarize certain provisions of the Trust Agreement, the Base Lease and the Purchase and Use Agreement, the information or summaries under such headings are accurate summaries of the documents referred to therein, and the information under the heading "TAX MATTERS" is true and correct in all material respects.

This opinion is rendered to and may be relied upon solely by you and may not be relied upon by any other persons, firms or corporations.

The obligations of the Corporation are limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

Our opinions herein are limited to the laws of the State of South Carolina and any applicable federal laws of the United States. This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,

EXHIBIT C

FORM OF ISSUER'S COUNSEL OPINION

[Closing Date]

Lancaster County Public Facilities Corporation
Lancaster, South Carolina

Lancaster County, South Carolina
Lancaster, South Carolina

Piper Sandler & Co.
Charlotte, North Carolina

Regions Bank
Atlanta, Georgia

$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023

Ladies and Gentlemen:

We have acted as counsel to Lancaster County Public Facilities Corporation (the "Issuer") preliminary to and in connection with the issuance and sale by the Issuer of the captioned bonds (the "Bonds"). In so acting, we have examined, among other things, originals, executed counterparts, or certified copies of the following:

1. the Articles of Incorporation of the Issuer, as amended;

2. the Bylaws of the Issuer;

3. a certificate from the Office of the Secretary of State of the State of South Carolina dated _____, 2023, as to the existence of the Issuer and the other matters stated therein;

4. the Bond Resolution adopted by the Board of Directors of the Issuer on [October 4], 2023 (the "Bond Resolution"), authorizing, among other things, the issuance and delivery of the Bonds and the execution, delivery, receipt, and approval of the following:

    (a) Trust Agreement dated [Closing Date] (the "Trust Agreement"), between the Issuer and Regions Bank, as trustee (the "Trustee");

    (b) Base Lease and Conveyance Agreement dated [Closing Date] (the "Base Lease"), between the Issuer, as lessee, and Lancaster County, South Carolina (the "County"), as lessor;

    (c) Installment Purchase and Use Agreement dated [Closing Date] (the "Purchase and Use Agreement"), between the Issuer, as seller, and the County, as purchaser;

(d) Bond Purchase Agreement dated November [16], 2023 (the "Bond Purchase Agreement"), between the Issuer and Piper Sandler & Co., as underwriter (the "Underwriter");

(e) Preliminary Official Statement dated November __, 2023 (the "Preliminary Official Statement"), relating to the Bonds;

(f) Official Statement dated November [16], 2023 (the "Official Statement"), relating to the Bonds; provided, however, that we have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version; and

(g) certificates as to factual matters relating to the issuance of the Bonds;

5. the Trust Agreement, the Base Lease, the Purchase and Use Agreement and the Bond Purchase Agreement (collectively, the "Issuer Contracts"), the Preliminary Official Statement, the Official Statement, and specimen Bonds; and

6. minutes and other corporate records of the Issuer.

In rendering this opinion, we have relied on the opinion of [County Counsel] counsel to the County. As to questions of fact material to our opinion, we have relied upon representations and certificates of officers and other representatives of the Issuer and the County, public officials and others, in each case without undertaking to verify the same by independent investigation. In rendering the opinions set forth below, we have assumed, with your permission, (a) the genuineness of all signatures (other than the Issuer) and the authenticity of all documents submitted to or received by us as originals, the conformity with original documents of all documents submitted to us as certified, conformed, or photostatic copies or telecopies; (b) that the Issuer Contracts have each been duly authorized, executed, and delivered by the parties thereto (other than the Issuer) and constitute the legal, valid, and binding obligations of, and are enforceable in accordance with their respective terms against, the parties thereto (other than the Issuer); (c) that the parties to the Issuer Contracts have complied and will continue to comply with all requirements of good faith, fair dealing, and conscionability, and have acted and will continue to act in a commercially reasonable manner; (d) that there has not been any mutual mistake of fact or misunderstanding, fraud, duress, or undue influence between the parties to the Issuer Contracts; and (e) that the Issuer has all requisite right, title, and interest in and to any collateral purported to be pledged by it in any Issuer Contracts.

As counsel to the Issuer, we have been retained solely for the purpose of examining the validity and legality of the Issuer Contracts and of rendering the specific opinions herein stated and for no other purpose. We have not acted as a municipal advisor (within the meaning of Section 15B of the Securities Exchange Act of 1934, as amended) to the Issuer in connection with the execution and delivery of the Issuer Contracts. We have not verified the accuracy, completeness, fairness or adequacy of any representation or information concerning the business or financial condition of the Issuer in connection with the Issuer Contracts. Accordingly, we express no opinion on the accuracy, completeness, fairness or adequacy of any such representation or information.

Based on such examination, and subject to the considerations set forth herein, we are of the opinion as of the date hereof, as follows:

1. The Issuer is a nonprofit corporation duly organized and validly existing under and by virtue of the laws of the State of South Carolina and has all requisite power and authority to adopt the Bond Resolution, to lease the property demised by the Base Lease from the County, to sell the

property conveyed by the Purchase and Use Agreement to the County, to issue the Bonds for the benefit of the County as contemplated by the Purchase and Use Agreement, to enter into and consummate its obligations under the Issuer Contracts, to execute and deliver the Official Statement to the Underwriter for distribution to the general public in connection with the offering by the Underwriter of the Bonds, and to grant the liens and security interest granted by it to the Trustee under the Trust Agreement.

2. The Bond Resolution has been duly adopted by the Issuer and is in full force and effect. The Issuer Contracts have been duly authorized, executed, and delivered by the Issuer and, assuming the due authorization, execution, and delivery by the other parties thereto, are each in full force and effect and constitute the valid, binding, and legally enforceable obligations of the Issuer; provided that we express no opinion as to the enforceability of any indemnification provisions thereof. The Issuer has taken all action legally required to authorize the issuance, sale, and delivery of the Bonds, and the approval of the Official Statement.

3. To our knowledge, the execution and delivery by the Issuer of the Issuer Contracts and compliance with the provisions of each will not conflict with or constitute on the part of the Issuer a breach of or a default under the Issuer's articles of incorporation or bylaws, or under any indenture, mortgage, commitment, agreement or other instrument to which the Issuer is a party or by which it is bound, or under any existing law, rule, regulation, judgment, order or decree to which the Corporation is subject.

4. To our knowledge, with respect to the Issuer, (a) there is no controversy or litigation of any nature now pending or threatened, restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way questioning or affecting the validity of the Bonds or any proceedings of the Issuer taken with respect to the issuance or sale thereof; and (b) there is no controversy or litigation of any nature now pending or threatened against the Issuer relating to or questioning or affecting the organization or existence of the Issuer or the title to office of the officers thereof.

5. All conditions precedent to the delivery of the Issuer Contracts or the consummation of the transactions contemplated thereby or by the Official Statement have been fulfilled.

6. The Official Statement has been duly authorized, executed, and delivered by the Issuer, and the Issuer has duly approved the use of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering of the Bonds.

7. To our knowledge, the statements contained in the Official Statement under the captions "INTRODUCTION – The Issuer," "THE ISSUER" and the information relating to the Issuer under the caption "LEGAL MATTERS – Litigation" are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading; provided, however, that we express no belief as to the financial statements and other financial or statistical data included or incorporated by reference into the Official Statement.

The opinions expressed above are subject to the following additional assumptions, qualifications and limitations:

(A) The rights of the parties under the Issuer Contracts and the enforceability of the Issuer Contracts are subject to (i) applicable bankruptcy, insolvency, reorganization, moratorium, and other similar

laws relating to or affecting creditor's rights generally; (ii) general principles of equity that may permit the exercise of judicial discretion; (iii) the exercise of the sovereign police powers of the State of South Carolina and the constitutional powers of the United States of America; (iv) the rights of the United States of America under the Federal Tax Lien Act of 1966, as amended, or under the Federal General Priority Statute, 31 U.S.C. Section 3713, as amended; and (v) the rights of the Pension Benefit Guaranty Corporation under the Employee Retirement Income Security Act of 1974, as amended.

(B) No opinion is expressed as to the enforceability of provisions in the Issuer Contracts (i) specifying that provisions thereof may only be waived in writing; (ii) purporting to require the indemnification of or contribution to a party with respect to liability for its own negligence or misconduct or indemnifying a party for liability imposed under the securities laws; (iii) purporting to select the laws governing such documents or the forums in which any disputes are to be conducted, or which purport to compel any arbitration, mediation, or similar proceeding; (iv) limiting available remedies; (v) with respect to severability, exculpation, or setoff or self-help rights generally; (vi) by which a party purports to waive any rights to receive notices or service of process, rights to jury trial, or to contest jurisdiction or venue, rights to assert certain defenses or counterclaims or rights for marshaling of assets, or any other legal or equitable rights otherwise available to such party; (vii) purporting to grant a party the right to obtain a receiver, which determination is subject to equitable principles and the discretion of the courts; (viii) by which a party covenants to take actions the taking of which are discretionary with, or subject to a contingency the fulfillment of which is not within the control of, the party so covenanting; (ix) by which a party purports to appoint any other party as its agent or attorney-in-fact; or (x) which provide that the agreements therein shall obligate or benefit any party other than the parties signatory to such Issuer Contracts.

(C) No opinion is expressed as to (i) the ability to exercise remedies upon the occurrence of any breach that is determined to be immaterial in nature; (ii) the effect of other agreements or understandings among the parties to the Issuer Contracts, whether written or oral, or any usage of trade or course of prior dealing among the parties thereto, or whether any of the foregoing would define, supplement, or qualify the terms of the Issuer Contracts; (iii) federal or state securities or antitrust (or related) laws or federal or state tax laws; or (iv) the existence of rights or title on the part of any party to any properties or items purported to be pledged, the existence of any items purported to be pledged, the giving of value in connection with any security interest, the granting of any security interest in securities, the priority of any liens or security interests, or the presence or absence of any other liens or encumbrances thereon or claims thereto.

(D) Certain rights and remedies contained in the Issuer Contracts may be rendered ineffective or be limited by applicable laws or judicial decisions governing such provisions, but such laws and judicial decisions do not, in our opinion, materially interfere with the practical realization of the benefits purported to be provided by the Issuer Contracts.

(E) Whenever a statement herein is qualified "to our knowledge" or words of similar import, it is intended to indicate that, during the course of our engagement in this matter, no information that would give us current actual knowledge of the inaccuracy of such statement has come to the attention of those (and only those) attorneys in this firm who have rendered legal services in connection with the transactions described in the introductory paragraph of this opinion letter.

This opinion is rendered to and may be relied upon solely by the addressee hereof, and may not be relied upon by any other persons, firms or corporations. The addressee's reliance on the opinions expressed herein shall be only in connection with the initial issuance of the Bonds.

No opinion is given herein as to the tax-exempt status of the Bonds under federal or state law or the interest thereon. No opinion is given concerning the requirement for registration of the Bonds under the securities laws of any state or the Securities Act of 1933, as amended, nor is an opinion given concerning qualification of any document under the Trust Indenture Act of 1939, as amended, nor is any opinion given as to the proper filing, recordation, or other necessary steps for perfecting a security interest under the Uniform Commercial Code or other like statute or to establish a lien or other matter of record in the real property records.

Our opinions herein are limited to the laws of the State of South Carolina and any applicable federal laws of the United States, subject to the limitations expressed herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

EXHIBIT D

OPINION OF DISCLOSURE COUNSEL

_____, 2023

Lancaster County Public Facilities Corporation
Lancaster, South Carolina

Piper Sandler & Co.
Charlotte, North Carolina

$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023

We have acted as disclosure counsel to Lancaster County Public Facilities Corporation (the "Corporation"), in connection with the issuance of the above-captioned bonds (the "Series 2023 Bonds"). This letter is being delivered to you pursuant to Section 11(c)(1)(D) of the Bond Purchase Agreement dated _____, 2023 (the "Purchase Agreement"), between the Corporation and Piper Sandler & Co., as underwriter (the "Underwriter"). Terms defined in the Purchase Agreement are used in this letter with the meanings assigned to them in the Purchase Agreement.

In such capacity, we have examined a signed copy of the Official Statement, dated ___, 2023 (the "Official Statement"), with respect to the Series 2023 Bonds, and the Purchase Agreement, and have examined and relied on originals or copies identified to our satisfaction of such records of the Corporation, such other agreements and instruments, such certificates of public officials, officers of the Corporation and such other persons, and such other documents, as we have deemed necessary as a basis for the purposes of this letter. In all such examinations, we have assumed the conformity to original documents of all documents submitted to us as certified or photostatic copies, the authenticity of all documents submitted to us as original documents and the authenticity of originals of all documents submitted as certified or photostatic copies. We have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version.

In accordance with our understanding with the Corporation, we have rendered legal advice and assistance to the Corporation in the course of the preparation of the Official Statement. Rendering such advice and assistance involved, among other things, discussions and inquiries concerning various legal matters and the review of the materials referred to above. We have also participated in conferences with representatives of the Corporation, representatives of the Underwriter, representatives of the financial advisor to the Corporation, and other persons involved in the preparation of the Official Statement during which the contents of the Official Statement and related matters were discussed and reviewed.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements; however, in our capacity as disclosure counsel to the Corporation, and based upon our review and discussions and in reliance upon the accuracy of the information contained in the aforementioned certificates and opinions, we advise you as a matter of fact and not of opinion that, during the course of our representation of the Corporation on this matter, no facts came to the attention of the attorneys in our firm rendering legal

services in connection with the representation (without independent investigation) which cause us to believe that the Official Statement as of its date and as of the date hereof (except for the operating statistics, financial statements or schedules, financial data derived therefrom or other financial information or data or expressions of opinion contained therein, the information therein as to The Depository Trust Company and its affiliates or the book-entry only system of registration and transfer of the Series 2023 Bonds and the information set forth in Appendices A, B, C and D of the Official Statement, as to which no opinion or view is expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein in light of the circumstances under which they were made, not misleading to the bondholders to whom the Series 2023 Bonds are sold.

We express no view as to compliance by the Corporation or the Underwriter with federal or state statutes, rulings, or regulations applicable to the initial issuance or any subsequent sale of the Series 2023 Bonds, except as expressly set forth herein. We express no opinion herein as to the treatment of the interest on the Series 2023 Bonds for federal income tax purposes. This is to advise you (1) that we have not been engaged to act, and have not acted, as counsel to the Underwriter for any purpose with respect to the offering of the Series 2023 Bonds; (2) that no attorney-client relationship at any time existed between this firm and the Underwriter with respect to this matter; and (3) that the level of inquiry and investigation on which said advice is based has been tailored specifically to the needs of our client, the Corporation.

This letter is furnished by us for the sole benefit of the Corporation and the Underwriter, and no other person or entity shall be entitled to rely upon this opinion or to quote this opinion in whole or in part without our express written consent in each such instance.

Very truly yours,

Burr & Forman LLP

EXHIBIT E

FORM OF UNDERWRITER'S COUNSEL OPINION

[Closing Date]

Piper Sandler & Co.
Charlotte, North Carolina

$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project),
Series 2023

Ladies and Gentlemen:

This letter is being delivered to you pursuant to the Bond Purchase Agreement dated November __, 2023 (the "Bond Purchase Agreement") between Lancaster County Public Facilities Corporation (the "Issuer") and you, relating to the issuance and sale by the Issuer of the above-referenced bonds (the "Series 2023 Bonds"). Terms defined in the Bond Purchase Agreement are used in this letter with the meanings assigned to them in the Bond Purchase Agreement.

We have acted as counsel to you in connection with the sale of the Series 2023 Bonds to you and, in that capacity, have examined executed counterparts of the Bond Purchase Agreement, the Trust Agreement, the Installment Purchase and Use Agreement and the Base Lease and the originals or copies, certified or otherwise identified to our satisfaction, of such other documents, records and other instruments as we have deemed necessary or advisable for purposes of this letter.

In connection with the preparation of the Official Statement, we have generally reviewed information furnished to us by representatives of the Issuer, Lancaster County, South Carolina (the "County"), representatives of Burr & Forman LLP, bond counsel ("Bond Counsel"), and your representatives. We have also reviewed other records relating to the authorization, issuance and sale of the Series 2023 Bonds and have relied upon certificates of officials of the Issuer and the County, the opinions of counsel to the Issuer and the County, and the opinion of Bond Counsel. We have assumed that all records, documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine. We have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version.

In arriving at the opinion and conclusions hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above (including the accuracy of all factual matters represented and legal conclusions contained therein, including (without limitation) representations and legal conclusions regarding the due authorization, issuance, delivery, validity and enforceability of the Series 2023 Bonds and the exclusion from interest thereon from gross income for federal and state income tax purposes). We understand that, with respect to the exclusion of interest on the Series 2023 Bonds from gross income for federal and state income tax purposes (as applicable), you are relying upon the opinion of Bond Counsel, of even date herewith.

Based on the foregoing, we are of the opinion that:

1. In reliance upon the approving opinion of Bond Counsel, we are of the opinion that the Series 2023 Bonds are presently exempt from registration under the Securities Act of 1933, as amended, and that no indenture needs presently be qualified with respect to the Series 2023 Bonds under the Trust Indenture Act of 1939, as amended.

2. The Disclosure Dissemination Agent Agreement, dated the date hereof, between the County and Digital Asset Certification, L.L.C., with respect to the Series 2023 Bonds, satisfies the requirements of Rule 15c2-12(b)(5)(i).

Other than as set forth in this paragraph, we express no other opinion as to the compliance by the Issuer, the County or by you with any federal or state statute, regulations or ruling relating to the offering or sale of the Series 2023 Bonds.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements; however, in our capacity as your counsel, to assist you in part of your review with respect to the Preliminary Official Statement and the Official Statement, and based upon our review and discussions and in reliance upon the accuracy of the information contained in the aforementioned certificates and opinions, we advise you as a matter of fact and not of opinion that, during the course of our representation of you on this matter, no facts came to the attention of the attorneys in our firm rendering legal services in connection with this representation (without independent investigation) which caused us to believe that the Preliminary Official Statement or the Official Statement as of its date and as of the date of this opinion (except for the financial and statistical data or information and expressions of opinion contained therein, the information contained therein under the caption "THE SERIES 2023 BONDS – Book-Entry System," and the information set forth in Appendix A, all as to which we express no opinion or view), contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein under which they were made, not misleading to the bondholders to whom the Series 2023 Bonds are sold.

Sincerely,

Pope Flynn, LLC

EXHIBIT F

GENERAL CERTIFICATE OF LANCASTER COUNTY, SOUTH CAROLINA

I am an authorized official of Lancaster County, South Carolina (the "County") and am hereby executing and delivering this Certificate as required under the terms of that certain Bond Purchase Agreement of even date herewith (the "Bond Purchase Agreement") between Piper Sandler & Co., as underwriter (the "Underwriter") and Lancaster County Public Facilities Corporation (the "Issuer"). Terms not otherwise defined herein shall have the meanings assigned to them in the Bond Purchase Agreement.

SECTION 1. REPRESENTATIONS, WARRANTIES, AND AGREEMENTS OF THE COUNTY.

The County hereby represents and warrants to, and covenants and agrees with, the Underwriter that:

(a) The County is a body politic and corporate and a political subdivision of the State duly created and validly existing under the laws of the State. It is authorized by virtue of the laws of the State to execute and deliver the Official Statement and to enter into and execute, deliver, and perform the Installment Purchase and Use Agreement, the Base Lease and the Bond Purchase Agreement (collectively the "County Contracts"). The County has complied with all provisions of the Constitution and statutes of the State with respect to the consummation of, and has full power and authority to consummate, all transactions contemplated by the County Contracts.

(b) The County has duly authorized by all necessary action the approval of the Official Statement and its use by the Underwriter in the public offering and sale of the Series 2023 Bonds and the execution of the Official Statement by the County Supervisor/Chair of its County Council or other authorized official of the County and the execution, delivery, and performance of the County Contracts, and no approval, authorization, consent, or other action by any governmental body (other than consents and approvals already obtained) is required in connection with the execution or performance by the County of the same; provided, that no representation is made as to compliance with federal or state securities laws or "Blue Sky" laws of any jurisdiction. Neither the execution nor the performance of the County Contracts or the consent to the use of the Official Statement will conflict with, breach, or violate any Legal Requirements or Contractual Requirements to which the County is a party or by which it or its property may be subject or bound. The County Contracts, when executed by the County and the other parties thereto at or before the Closing Time, will have been duly and validly executed and delivered by the County, will be in full force and effect as to the County, and will constitute the legal, valid, binding, and enforceable obligations of the County, enforceable in accordance with their terms.

(c) The County is not in violation of any material provision of or in default under any legal requirement or contractual requirement to which it is a party or by which it or its property is subject or bound, which violation will have any material adverse effect on the financing contemplated by the Official Statement, nor will any such violation result in any material adverse effect upon the operations, properties, assets, liabilities, or condition (financial or other) of the County.

(d) There is no pending or, to the best of the undersigned official's knowledge, after making due inquiry with respect thereto, threatened in writing, action, suit, proceeding, inquiry, or investigation, before or by any court, public board, or body against the County, which would materially and adversely affect the transactions contemplated by the Official Statement or which would materially and adversely affect the Series 2023 Bonds or the County Contracts, or which might result in any material adverse change in the operations, properties, assets, liabilities, or condition (financial or other) of the County, or which affects the information contained in the Official Statement.

(e) To the best knowledge of the County, after making due inquiry with respect thereto, no legislation, ordinance, rule, or regulation has been enacted by any governmental body, department, or agency of the State nor has any decision been rendered by any court of competent jurisdiction in the State, which would materially and adversely affect the transactions contemplated by the Official Statement, except as disclosed in the Official Statement.

(f) The Preliminary Official Statement has been "deemed final" by the County for purposes of U.S. Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12") and the statements and information contained in the Preliminary Official Statement relating to the County and the use of proceeds of the Series 2023 Bonds, including, without limitation, the information relating to the County contained under the heading "LEGAL MATTERS – Litigation" and the information contained in Appendix A (which information in Appendix A is presented as of June 30, 2022 or such other date as specifically referenced therein), as of its date (except as provided above) are true and correct in all material respects and the Preliminary Official Statement (excluding information on the inside cover page as to the initial public offering price and the stabilization language, and information under the caption "MISCELLANEOUS – Underwriting," and except for the information relating to DTC and its affiliates, and the book entry system of registration and transfer for the Series 2023 Bonds and information related to the Issuer and litigation applicable thereto) does not omit any material statement or information relating to the County which should be included therein for the purposes for which the Preliminary Official Statement is to be used or which is necessary to make the statements or information contained therein relating to the County, in light of the circumstances under which they were made, not misleading, except that no representation is made with regard to information contained in the Preliminary Official Statement which is marked as preliminary or permitted to be omitted from a deemed final official statement under Rule 15c2-12.

(g) The statements and information contained in the Official Statement relating to the County and the use of proceeds of the Series 2023 Bonds, including, without limitation, the information relating to the County contained under the heading "LEGAL MATTERS – Litigation" and the information contained in Appendix A (which information in Appendix A is presented as of June 30, 2022 or such other date as specifically referenced therein), as of its date and the Delivery Date (except as provided above), will be true and correct in all material respects and the Official Statement (excluding information on the inside cover page as to the initial public offering price and the stabilization language, information under the caption "MISCELLANEOUS – Underwriting," and except for the information relating to DTC and its affiliates, the book entry system of registration and transfer for the Series 2023 Bonds and information related to the Issuer and litigation applicable thereto), as of its date and the Delivery Date (except as provided above), will not omit any material statement or information relating to the County which should be included therein for the purposes for which the Official Statement is to be used or which is necessary to make the statements or information relating to the County contained therein, in light of the circumstances under which they were made, not misleading.

(h) The County shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. The County will notify the Underwriter promptly if, on or prior to the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the Issuer and the Underwriter) or the time when the Official Statement is available to any person from the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (but in no event less than 25 days following the End of the Underwriting Period) of any material adverse change in the operations, properties, or financial condition of the County, and of any event that occurs and comes to the County's attention, which event materially and adversely affects the Issuer, the County, or the transactions contemplated by the Official Statement or which would cause the Official Statement to contain an untrue statement of a material fact or to omit to state a material fact that should be included therein for the purposes for which the Official Statement was to be used or that is necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and, if in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriter, at the Issuer's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the Issuer and approved by the Underwriter, as the Underwriter may reasonably request and if such notification shall be given subsequent to the Closing Date, such additional legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

(i) The County will cooperate with the Underwriter in the qualification of the Series 2023 Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriter shall designate; provided, however, the County shall not be required to register as a dealer or broker in any such jurisdiction, nor execute a general consent to service of process or qualify to do business in connection with any such qualification of the Series 2023 Bonds in any such jurisdiction.

(j) Subsequent to the respective dates as of which information is given in the Preliminary Official Statement, and prior to the Delivery Date, except as set forth in or contemplated by the Preliminary Official Statement, (1) the County has not incurred and shall not have incurred any material liabilities or obligations, direct or contingent, except in the ordinary course of business and has not entered and will not have entered into any material transaction not in the ordinary course of business, (2) there has not been and will not have been any material increase in the long-term debt or material decrease in the fund balances of the County, (3) there has not been and will not have been any material adverse change in the operations or the financial position or results of operations of the County, (4) no loss or damage (whether or not insured) to the property of the County has been or will have been sustained that materially and adversely affects the operations of the County, and (5) no legal or governmental proceeding affecting the County or the transactions contemplated by the Bond Purchase Agreement has been or will have been instituted or threatened that is material.

(k) Any certificate signed by any of its authorized officials and delivered to the Underwriter shall be deemed a representation and warranty by the County to the Underwriter under the Bond Purchase Agreement as to the statements made therein.

(l) The County will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Series 2023 Bonds to be applied in a manner other than as provided in the Installment Purchase and Use Agreement or the Trust

Agreement, or which would cause the interest on the Series 2023 Bonds to become includable in the gross income of the owners thereof for federal income tax purposes.

(m) The County acknowledges and agrees that: (i) the primary role of the Underwriter, as an underwriter, is to purchase the Series 2023 Bonds for resale to investors in an arm's-length commercial transaction between the Issuer and the Underwriter; (ii) that the Underwriter has financial and other interests that differ from those of the County; (iii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the County or any other person or entity and has not assumed any advisory or fiduciary responsibility to the County with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the County on other matters); (iv) the only obligations the Underwriter has, if any, to the County with respect to the transaction contemplated hereby (other than those obligations imposed by applicable law, if any) expressly are set forth in the Agreement; and (v) the County has consulted its own legal, accounting, and financial advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

(n) The County acknowledges and agrees that these representations and warranties are made to induce the Underwriter to purchase the Series 2023 Bonds, and that such representations and warranties and any other representations and warranties made by the County to the Underwriter are made for the benefit of the ultimate purchasers of the Series 2023 Bonds and may be relied upon by such purchasers.

SECTION 2. REPRESENTATIONS, WARRANTIES, AND AGREEMENTS TO SURVIVE DELIVERY.

All of the County's representations, warranties, and agreements set forth herein shall remain operative and in full force and effect (unless expressly waived in writing by the Underwriter), regardless of any investigations made by the Underwriter or on their behalf, and shall survive delivery of the Series 2023 Bonds to the Underwriter and the resale by the Underwriter of the Series 2023 Bonds. Such obligation, however, shall terminate the date on which the Series 2023 Bonds are no longer outstanding.

SECTION 3. DELIVERY AND USE OF OFFICIAL STATEMENT.

The County authorizes the use and distribution of, and will make available, the Preliminary Official Statement and the Official Statement for the use and distribution by the Underwriter in connection with the sale of the Series 2023 Bonds.

The County shall cooperate with the Issuer to deliver, or cause to be delivered, to the Underwriter copies of the Preliminary Official Statement in sufficient quantity in order for the Underwriter to comply with Rule 15c2-12(b)(2) promulgated under the Securities Exchange Act of 1934, as amended.

The County shall cooperate with the Issuer to deliver, or cause to be delivered, to the Underwriter copies of the final Official Statement in sufficient quantity in order for the Underwriter to comply with Rule 15c2-12(b)(4) promulgated under the Securities Exchange Act of 1934, as amended, and the rules of the Municipal Securities Rulemaking Board, upon the earlier of (a) seven (7) business days after the Bond Purchase Agreement is executed and delivered, (b) the date that will allow such final Official Statement to accompany any confirmation that requests payment from any customer, and (c) the date that occurs three (3) days before the Delivery Date.

For purposes of the Bond Purchase Agreement, the *"End of the Underwriting Period"* will mean the later of (a) the Closing Date or (b) the time that the Underwriter no longer retains an unsold balance of the Series 2023 Bonds for sale to the public. Unless otherwise notified in writing by the Underwriter prior to the Closing Date, the County shall treat the Closing Date as the *"End of the Underwriting Period."* In such case, the Underwriter shall promptly notify the Issuer and the County in writing of the date that is the *"End of the Underwriting Period."*

SECTION 4. CONTINUING DISCLOSURE CERTIFICATE.

The County will undertake, pursuant to the Installment Purchase and Use Agreement and the Continuing Disclosure Certificate, to provide annual reports and notices to certain events. Except as described in the Official Statement, during the last five years, the County has not failed to materially comply with any previous undertaking relating to continuing disclosure of information pursuant to Rule 15c2-12.

SECTION 5. NOTICE.

Any notice or other communication to be given to the County under the Bond Purchase Agreement may be given by mailing or delivering the same in writing to Lancaster County, South Carolina, 101 N. Main Street, Lancaster, South Carolina 29720, Attention: _____.

This General Certificate is delivered this ___ day of _____, 2023.

LANCASTER COUNTY,
SOUTH CAROLINA

By:_____

Its:

EXHIBIT G

CLOSING CERTIFICATE OF LANCASTER COUNTY, SOUTH CAROLINA

I am an authorized official of Lancaster County, South Carolina (the "County") and am hereby executing and delivering this Certificate as required under the terms of that certain Bond Purchase Agreement dated November [16], 2023 (the "Bond Purchase Agreement") between Piper Sandler & Co., as underwriter (the "Underwriter"), and Lancaster County Public Facilities Corporation (the "Issuer"). Terms not otherwise defined herein shall have the meanings assigned to them in the Bond Purchase Agreement.

(A) Since the date of execution of the Bond Purchase Agreement, there has not been any material adverse change in the operations, properties, financial position, or results of operations of the County, whether or not arising from transactions in the ordinary course of business, other than as previously disclosed in writing to the Underwriter or as disclosed in the Official Statement, and except in the ordinary course of business, the County has not suffered or incurred any material liability, other than as previously disclosed in writing to the Underwriter or as disclosed in the Official Statement;

(B) There is no action, suit, proceeding, or, to the best of the undersigned official's knowledge, after making due inquiry with respect thereto, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to such official's knowledge after making due inquiry with respect thereto, threatened in writing against or affecting the County or its property, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated in the Bond Purchase Agreement or the Ordinance enacted by the County Council of the County on October [9], 2023 (the "Ordinance"), or the validity or enforceability of the Series 2023 Bonds or the County Contracts, which have not been previously disclosed in writing to the Underwriter or which is not disclosed in the Official Statement;

(C) To the best of the undersigned official's knowledge after making due inquiry with respect thereto, all information furnished by the County to the Underwriter for use in connection with the marketing of the Series 2023 Bonds and the information contained in the Preliminary Official Statement and the Official Statement pertaining to the County, including the information contained in Appendix A (which information in Appendix A is presented as of June 30, 20__, of such other date as specifically referenced therein), were, as of the respective dates thereof and are as of the Delivery Date (except as provided above), true and correct in all material respects;

(D) The County has duly authorized, by all necessary action, the execution, delivery, and due performance of the County Contracts;

(E) The County has duly performed or complied with all of its obligations and conditions to be performed and satisfied under the Bond Purchase Agreement at or prior to the Delivery Date;

(F) The representations contained in the County's General Certificate delivered concurrently with the Bond Purchase Agreement have not been amended, modified, or rescinded and are in full force and effect, and the information and representations and warranties contained herein are true and correct in all material respects, as of the Delivery Date; and

(G) The execution, delivery, and due performance of the County Contracts and the other agreements contemplated under the Resolution and by the Official Statement under the circumstances

contemplated thereby and the County's compliance with the provisions thereof will not conflict with or violate or constitute on the County's part a breach of or a default under any Legal Requirement or Contractual Requirement to which the County is a party or by which it or its property may be subject or bound.

This Certificate is delivered this ___ day of _____, 2023.

LANCASTER COUNTY,
SOUTH CAROLINA

By:_____

Its:

EXHIBIT H

FORM OF ISSUE PRICE CERTIFICATE

$[Amount]
LANCASTER COUNTY PUBLIC FACILITIES CORPORATION
INSTALLMENT PURCHASE REVENUE BONDS
(LANCASTER COUNTY PROJECT) SERIES 2023

The undersigned, Piper Sandler & Co., as underwriter ("Piper"), hereby certifies, based upon the information available to it, as set forth below with respect to the sale and issuance of the above-captioned obligations (the "Series 2023 Bonds").

1. [**Sale of the Series 2023 Bonds**. As of the date of this certificate, for each Maturity of the Series 2023 Bonds, the first price at which at least 10% of such Maturity of the Series 2023 Bonds was sold to the Public is the respective price listed in Schedule.][***Sale of the General Rule Maturities***. As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Series 2023 Bonds was sold to the Public is the respective price listed in Schedule A.]

2. [Initial Offering Price of the Hold-the-Offering-Price Maturities.

(a) The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the "***Initial Offering Prices***") on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Series 2023 Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, the Underwriter have agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the Series 2023 Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the "***hold-the-offering-price rule***"), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. No Underwriter has offered or sold any Maturity of the Series 2023 Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Series 2023 Bonds during the Holding Period.]

3. Defined Terms.

(a) "***County***" means Lancaster County, South Carolina.

[(b) "***General Rule Maturities***" means those Maturities of the Series 2023 Bonds listed in Schedule A hereto as the "General Rule Maturities."]

[(c) "***Hold-the-Offering-Price Maturities***" means those Maturities of the Series 2023 Bonds listed in Schedule A hereto as the "Hold-the-Offering-Price Maturities."]

[(d) "***Holding Period***" means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2023), or (ii) the date on which the Underwriter have sold at least 10% of such Hold-

the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

[(e)] "***Issuer***" means Lancaster County Public Facilities Corporation.

[(f)] "***Maturity***" means Series 2023 Bonds with the same credit and payment terms. Series 2023 Bonds with different maturity dates, or Series 2023 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

[(g)] "***Public***" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

[(h)] "***Sale Date***" means the first day on which there is a binding contract in writing for the sale of a Maturity of the Series 2023 Bonds. The Sale Date of the Series 2023 Bonds is _____, 2023.

[(i)] "***Underwriter***" means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2023 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2023 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2023 Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Piper's interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. Piper understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate of the Issuer and the County, dated the date hereof, and with respect to compliance with the federal income tax rules affecting the Series 2023 Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Series 2023 Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Series 2023 Bonds.

PIPER SANDLER & CO.

By: _____
Managing Director

Dated: _____, 2023

Schedule A

[Sale Prices of the Series 2023 Bonds][Sale Prices of the General Rule Maturities and Initial Offering Prices of the Hold-the-Offering Price Maturities]

[Schedule B

Pricing Wire or Equivalent Communication]

Lancaster County, South Carolina

(Installment Purchase Revenue Bonds Worksheets)

Net Project Amounts to be Financed

Description	Detention Center	Regional Park	Combined Amounts
Total Construction Cost:	$90,000,000	$34,730,000	$124,730,000
LESS: Sales Tax #2 Carryover:	($14,000,000)		($14,000,000)
LESS: Hospitality Tax Cash Contribution:		($8,000,000)	($8,000,000)
Net Amount to be Financed:	$76,000,000	$26,730,000	$102,730,000

Estimated Installment Purchase Revenue Bonds Issuance

Description	Detention Center	Regional Park	Total Amounts
Sources of Funds			
Par Amount of Bonds:	$70,390,000	$24,885,000	$95,275,000
Gross Premium/Discount:	$6,421,411	$2,135,964	$8,557,375
Total Proceeds Borrowed:	$76,811,411	$27,020,964	$103,832,375
Uses of Funds			
Deposit to Project Fund:	$76,000,000	$26,730,000	$102,730,000
Underwriter's Discount:	$302,677	$107,006	$409,683
Cost of Issuance:	$507,931	$179,569	$687,500
Rounding Amount:	$803	$4,390	$5,192
Total Uses of Funds:	$76,811,411	$27,020,964	$103,832,375

Installment Purchase Revenue Bonds - Estimated Debt Service

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Date	Principal Amount	Interest Amount	Debt Service	FY Debt Service	Detention Center Portion	Regional Park Portion
12/16/23						
06/01/24	$3,920,000	$2,164,274	$6,084,274	$6,084,274	**$4,292,657**	$1,947,194
12/01/24	$0	$2,234,750	$2,234,750			
06/01/25	$1,615,000	$2,234,750	$3,849,750	$6,084,500	**$4,291,500**	$1,945,750
12/01/25	$0	$2,194,375	$2,194,375			
06/01/26	$1,695,000	$2,194,375	$3,889,375	$6,083,750	**$4,291,250**	$1,947,250
12/01/26	$0	$2,152,000	$2,152,000			
06/01/27	$1,775,000	$2,152,000	$3,927,000	$6,079,000	**$4,288,750**	$1,946,750
12/01/27	$0	$2,107,625	$2,107,625			
06/01/28	$1,870,000	$2,107,625	$3,977,625	$6,085,250	**$4,289,000**	$1,944,250
12/01/28	$0	$2,060,875	$2,060,875			
06/01/29	$1,960,000	$2,060,875	$4,020,875	$6,081,750	**$4,291,750**	$1,944,750
12/01/29	$0	$2,011,875	$2,011,875			
06/01/30	$2,055,000	$2,011,875	$4,066,875	$6,078,750	**$4,291,750**	$1,948,000
12/01/30	$0	$1,960,500	$1,960,500			
06/01/31	$4,425,000	$1,960,500	$6,385,500	$8,346,000	$6,554,000	$1,943,750
12/01/31	$0	$1,849,875	$1,849,875			
06/01/32	$4,650,000	$1,849,875	$6,499,875	$8,349,750	$6,555,250	$1,947,250
12/01/32	$0	$1,733,625	$1,733,625			
06/01/33	$4,885,000	$1,733,625	$6,618,625	$8,352,250	$6,557,750	$1,943,000
12/01/33	$0	$1,611,500	$1,611,500			
06/01/34	$5,125,000	$1,611,500	$6,736,500	$8,348,000	$6,556,000	$1,946,250
12/01/34	$0	$1,483,375	$1,483,375			
06/01/35	$5,380,000	$1,483,375	$6,863,375	$8,346,750	$6,554,750	$1,946,500
12/01/35	$0	$1,348,875	$1,348,875			
06/01/36	$5,650,000	$1,348,875	$6,998,875	$8,347,750	$6,553,500	$1,943,750
12/01/36	$0	$1,207,625	$1,207,625			
06/01/37	$5,930,000	$1,207,625	$7,137,625	$8,345,250	$6,556,750	$1,948,000
12/01/37	$0	$1,059,375	$1,059,375			
06/01/38	$6,230,000	$1,059,375	$7,289,375	$8,348,750	$6,553,750	$1,943,750
12/01/38	$0	$903,625	$903,625			
06/01/39	$6,540,000	$903,625	$7,443,625	$8,347,250	$6,554,250	$1,946,250
12/01/39	$0	$740,125	$740,125			
06/01/40	$6,870,000	$740,125	$7,610,125	$8,350,250	$6,557,500	$1,945,000
12/01/40	$0	$568,375	$568,375			
06/01/41	$7,210,000	$568,375	$7,778,375	$8,346,750	$6,557,750	$1,945,000
12/01/41	$0	$388,125	$388,125			
06/01/42	$7,575,000	$388,125	$7,963,125	$8,351,250	$6,554,500	$1,946,000
12/01/42	$0	$198,750	$198,750			
06/01/43	$7,950,000	$198,750	$8,148,750	$8,347,500	$6,557,250	$1,947,750
Totals:	$93,310,000	$57,794,774	$151,104,774	$151,104,774	$115,259,657	$38,916,194

Detention Center debt service sized around Sales Tax #3 not to exceed constraint.

Source: True Interest Cost Assumption of 4.08%.

Lancaster County, South Carolina

(Sales Tax Cash Flow Worksheets)

Sales Tax #3 - <u>Detention Center Portion</u> Installment Purchase Revenue Bonds Proforma

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Period	Collection Period	Collection Amount	Cumulative Collections	Principal Amount	Interest Amount	PAYGO Amounts	Total Expense	Sinking Fund Balance	Outstanding Bonds
Imposition	05/01/23								
1	07/15/23	$1,150,000	$1,150,000				$0	$1,150,000	
2	10/15/23	$3,450,000	$4,600,000				$0	$3,450,000	
(IPRB Closed)	11/15/23						$0	$3,450,000	$70,390,000
3	01/15/24	$3,450,000	$8,050,000				$0	$6,900,000	$70,390,000
4	04/15/24	$3,450,000	$11,500,000			$6,000,000	$6,000,000	$4,350,000	$70,390,000
(IPRB PMT)	06/01/24			$2,660,000	$1,632,657		$4,292,657	$57,343	$67,730,000
5	07/15/24	$3,450,000	$14,950,000				$0	$3,507,343	$67,730,000
6	10/15/24	$3,450,000	$18,400,000				$0	$6,957,343	$67,730,000
(IPRB PMT)	12/01/24				$1,693,250		$1,693,250	$5,264,093	$67,730,000
7	01/15/25	$3,450,000	$21,850,000				$0	$8,714,093	$67,730,000
8	04/15/25	$3,450,000	$25,300,000			$6,000,000	$6,000,000	$6,164,093	$67,730,000
(IPRB PMT)	06/01/25			$905,000	$1,693,250		$2,598,250	$3,565,843	$66,825,000
9	07/15/25	$3,450,000	$28,750,000				$0	$7,015,843	$66,825,000
10	10/15/25	$3,450,000	$32,200,000				$0	$10,465,843	$66,825,000
(IPRB PMT)	12/01/25				$1,670,625		$1,670,625	$8,795,218	$66,825,000
11	01/15/26	$3,450,000	$35,650,000				$0	$12,245,218	$66,825,000
12	04/15/26	$3,450,000	$39,100,000			$6,000,000	$6,000,000	$9,695,218	$66,825,000
(IPRB PMT)	06/01/26			$950,000	$1,670,625		$2,620,625	$7,074,593	$65,875,000
13	07/15/26	$3,450,000	$42,550,000				$0	$10,524,593	$65,875,000
14	10/15/26	$3,450,000	$46,000,000				$0	$13,974,593	$65,875,000
(IPRB PMT)	12/01/26				$1,646,875		$1,646,875	$12,327,718	$65,875,000
15	01/15/27	$3,450,000	$49,450,000				$0	$15,777,718	$65,875,000
16	04/15/27	$3,450,000	$52,900,000			$6,000,000	$6,000,000	$13,227,718	$65,875,000
(IPRB PMT)	06/01/27			$995,000	$1,646,875		$2,641,875	$10,585,843	$64,880,000
17	07/15/27	$3,450,000	$56,350,000				$0	$14,035,843	$64,880,000
18	10/15/27	$3,450,000	$59,800,000				$0	$17,485,843	$64,880,000
(IPRB PMT)	12/01/27				$1,622,000		$1,622,000	$15,863,843	$64,880,000
19	01/15/28	$3,450,000	$63,250,000				$0	$19,313,843	$64,880,000
20	04/15/28	$3,450,000	$66,700,000			$6,000,000	$6,000,000	$16,763,843	$64,880,000
(IPRB PMT)	06/01/28			$1,045,000	$1,622,000		$2,667,000	$14,096,843	$63,835,000
21	07/15/28	$3,450,000	$70,150,000				$0	$17,546,843	$63,835,000
22	10/15/28	$3,450,000	$73,600,000				$0	$20,996,843	$63,835,000
(IPRB PMT)	12/01/28				$1,595,875		$1,595,875	$19,400,968	$63,835,000
23	01/15/29	$3,450,000	$77,050,000				$0	$22,850,968	$63,835,000
24	04/15/29	$3,450,000	$80,500,000			$6,000,000	$6,000,000	$20,300,968	$63,835,000
(IPRB PMT)	06/01/29			$1,100,000	$1,595,875		$2,695,875	$17,605,093	$62,735,000
25	07/15/29	$3,450,000	$83,950,000				$0	$21,055,093	$62,735,000
26	10/15/29	$3,450,000	$87,400,000				$0	$24,505,093	$62,735,000
(IPRB PMT)	12/01/29				$1,568,375		$1,568,375	$22,936,718	$62,735,000
27	01/15/30	$3,450,000	$90,850,000				$0	$26,386,718	$62,735,000
28	04/15/30	$3,450,000	$94,300,000			$6,000,000	$6,000,000	$23,836,718	$62,735,000
(IPRB PMT)	06/01/30			$1,155,000	$1,568,375		$2,723,375	$21,113,343	$61,580,000
29	07/15/30	$2,300,000	$96,600,000				$0	$23,413,343	$61,580,000
Totals:	---	$96,600,000	---	$8,810,000	$21,226,657	$42,000,000	$72,036,657	---	---

Note: Sales Tax Imposition Term of 7 Years. Voted on November 3, 2020.

Maximum Collections for Detention Center:	$30,130,000
Detention Center Debt Service:	$30,036,657
	$93,343

Sales Tax #4 - <u>Detention Center Portion</u> Installment Purchase Revenue Bonds Proforma

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Period	Collection Period	Collection Amount	Cumulative Collections	Principal Amount	Interest Amount	PAYGO Amounts	Total Expense	Sinking Fund Balance	Outstanding Bonds
Imposition	05/01/30							$23,413,343	
1	07/15/30	$1,150,000	$1,150,000				$0	$24,563,343	$61,580,000
2	10/15/30	$3,450,000	$4,600,000				$0	$28,013,343	$61,580,000
(IPRB PMT)	11/15/30				$1,539,500		$1,539,500	$26,473,843	$61,580,000
3	01/15/31	$3,450,000	$8,050,000				$0	$29,923,843	$61,580,000
4	04/15/31	$3,450,000	$11,500,000			$6,000,000	$6,000,000	$27,373,843	$61,580,000
(IPRB PMT)	06/01/31			$3,475,000	$1,539,500		$5,014,500	$22,359,343	$58,105,000
5	07/15/31	$3,450,000	$14,950,000				$0	$25,809,343	$58,105,000
6	10/15/31	$3,450,000	$18,400,000				$0	$29,259,343	$58,105,000
(IPRB PMT)	12/01/31				$1,452,625		$1,452,625	$27,806,718	$58,105,000
7	01/15/32	$3,450,000	$21,850,000				$0	$31,256,718	$58,105,000
8	04/15/32	$3,450,000	$25,300,000			$6,000,000	$6,000,000	$28,706,718	$58,105,000
(IPRB PMT)	06/01/32			$3,650,000	$1,452,625		$5,102,625	$23,604,093	$54,455,000
9	07/15/32	$3,450,000	$28,750,000				$0	$27,054,093	$54,455,000
10	10/15/32	$3,450,000	$32,200,000				$0	$30,504,093	$54,455,000
(IPRB PMT)	12/01/32				$1,361,375		$1,361,375	$29,142,718	$54,455,000
11	01/15/33	$3,450,000	$35,650,000				$0	$32,592,718	$54,455,000
12	04/15/33	$3,450,000	$39,100,000			$6,000,000	$6,000,000	$30,042,718	$54,455,000
(IPRB PMT)	06/01/33			$3,835,000	$1,361,375		$5,196,375	$24,846,343	$50,620,000
13	07/15/33	$3,450,000	$42,550,000				$0	$28,296,343	$50,620,000
14	10/15/33	$3,450,000	$46,000,000				$0	$31,746,343	$50,620,000
(IPRB PMT)	12/01/33				$1,265,500		$1,265,500	$30,480,843	$50,620,000
15	01/15/34	$3,450,000	$49,450,000				$0	$33,930,843	$50,620,000
16	04/15/34	$3,450,000	$52,900,000			$6,000,000	$6,000,000	$31,380,843	$50,620,000
(IPRB PMT)	06/01/34			$4,025,000	$1,265,500		$5,290,500	$26,090,343	$46,595,000
17	07/15/34	$3,450,000	$56,350,000				$0	$29,540,343	$46,595,000
18	10/15/34	$3,450,000	$59,800,000				$0	$32,990,343	$46,595,000
(IPRB PMT)	12/01/34				$1,164,875		$1,164,875	$31,825,468	$46,595,000
19	01/15/35	$3,450,000	$63,250,000				$0	$35,275,468	$46,595,000
20	04/15/35	$3,450,000	$66,700,000			$6,000,000	$6,000,000	$32,725,468	$46,595,000
(IPRB PMT)	06/01/35			$4,225,000	$1,164,875		$5,389,875	$27,335,593	$42,370,000
21	07/15/35	$3,450,000	$70,150,000				$0	$30,785,593	$42,370,000
22	10/15/35	$3,450,000	$73,600,000				$0	$34,235,593	$42,370,000
(IPRB PMT)	12/01/35				$1,059,250		$1,059,250	$33,176,343	$42,370,000
23	01/15/36	$3,450,000	$77,050,000				$0	$36,626,343	$42,370,000
24	04/15/36	$3,450,000	$80,500,000			$6,000,000	$6,000,000	$34,076,343	$42,370,000
(IPRB PMT)	06/01/36			$4,435,000	$1,059,250		$5,494,250	$28,582,093	$37,935,000
25	07/15/36	$3,450,000	$83,950,000				$0	$32,032,093	$37,935,000
26	10/15/36	$3,450,000	$87,400,000				$0	$35,482,093	$37,935,000
(IPRB PMT)	12/01/36				$948,375		$948,375	$34,533,718	$37,935,000
27	01/15/36	$3,450,000	$90,850,000				$0	$37,983,718	$37,935,000
28	04/15/37	$3,450,000	$94,300,000			$6,000,000	$6,000,000	$35,433,718	$37,935,000
(IPRB PMT)	06/01/37			$4,660,000	$948,375		$5,608,375	$29,825,343	$33,275,000
29	07/15/37	$2,300,000	$96,600,000				$0	$32,125,343	$33,275,000
Totals:	---	$96,600,000	---	$28,305,000	$17,583,000	$42,000,000	$87,888,000	---	---

Note: Sales Tax Imposition Term of 7 Years. Potentially voted on November 3, 2028.

Maximum Collections for Detention Center:	$45,900,000
Detention Center Debt Service:	$45,888,000
	$12,000

Lancaster County, South Carolina

(Hospitality Tax Cash Flow Worksheets)

Hospitality Tax - <u>Regional Park Portion</u> Installment Purchase Revenue Bonds Proforma

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Fiscal Year Period	Collection Period	Collection Amount*	Other Sources	Principal Amount	Interest Amount	Other Amounts	Total Period Amounts	Debt Service Coverage
0	11/15/23							
1	06/01/24	$2,035,305		$1,370,000	$577,194		$1,947,194	$88,111
	12/01/24				$587,875			
2	06/01/25	$2,035,305		$770,000	$587,875		$1,945,750	$89,555
	12/01/25				$568,625			
3	06/01/26	$2,035,305		$810,000	$568,625		$1,947,250	$88,055
	12/01/26				$548,375			
4	06/01/27	$2,035,305		$850,000	$548,375		$1,946,750	$88,555
	12/01/27				$527,125			
5	06/01/28	$2,035,305		$890,000	$527,125		$1,944,250	$91,055
	12/01/28				$504,875			
6	06/01/29	$2,035,305		$935,000	$504,875		$1,944,750	$90,555
	12/01/29				$481,500			
7	06/01/30	$2,035,305		$985,000	$481,500		$1,948,000	$87,305
	12/01/30				$456,875			
8	06/01/31	$2,035,305		$1,030,000	$456,875		$1,943,750	$91,555
	12/01/31				$431,125			
9	06/01/32	$2,035,305		$1,085,000	$431,125		$1,947,250	$88,055
	12/01/32				$404,000			
10	06/01/33	$2,035,305		$1,135,000	$404,000		$1,943,000	$92,305
	12/01/33				$375,625			
11	06/01/34	$2,035,305		$1,195,000	$375,625		$1,946,250	$89,055
	12/01/34				$345,750			
12	06/01/35	$2,035,305		$1,255,000	$345,750		$1,946,500	$88,805
	12/01/35				$314,375			
13	06/01/36	$2,035,305		$1,315,000	$314,375		$1,943,750	$91,555
	12/01/36				$281,500			
14	06/01/37	$2,035,305		$1,385,000	$281,500		$1,948,000	$87,305
	12/01/37				$246,875			
15	06/01/38	$2,035,305		$1,450,000	$246,875		$1,943,750	$91,555
	12/01/38				$210,625			
16	06/01/39	$2,035,305		$1,525,000	$210,625		$1,946,250	$89,055
	12/01/39				$172,500			
17	06/01/40	$2,035,305		$1,600,000	$172,500		$1,945,000	$90,305
	12/01/40				$132,500			
18	06/01/41	$2,035,305		$1,680,000	$132,500		$1,945,000	$90,305
	12/01/41				$90,500			
19	06/01/42	$2,035,305		$1,765,000	$90,500		$1,946,000	$89,305
	12/01/42				$46,375			
20	06/01/43	$2,035,305		$1,855,000	$46,375		$1,947,750	$87,555
Totals:	---	$40,706,100	$0	$24,885,000	$14,031,194	$0	$38,916,194	$1,789,906

** 2022 Audited Collection Amount.*

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Total Issue Sources And Uses

Dated 12/14/2023 | Delivered 12/14/2023

	Detention Center	Regional Park	Issue Summary
Sources Of Funds			
Par Amount of Bonds	$70,390,000.00	$24,885,000.00	$95,275,000.00
Reoffering Premium	6,421,410.60	2,135,964.35	8,557,374.95
Total Sources	**$76,811,410.60**	**$27,020,964.35**	**$103,832,374.95**
Uses Of Funds			
Total Underwriter's Discount (0.430%)	302,677.00	107,005.50	409,682.50
Costs of Issuance	507,930.99	179,569.01	687,500.00
Deposit to Project Fund - Detention Ctr	76,000,000.00	-	76,000,000.00
Deposit to Project Fund - Regional Park	-	26,730,000.00	26,730,000.00
Rounding Amount	802.61	4,389.84	5,192.45
Total Uses	**$76,811,410.60**	**$27,020,964.35**	**$103,832,374.95**

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		YTM	Call Date	Call Price	Dollar Price
06/01/2024	Serial Coupon	5.000%	3.530%	4,030,000.00	100.668%		-	-	-	4,056,920.40
06/01/2025	Serial Coupon	5.000%	3.470%	1,675,000.00	102.164%		-	-	-	1,711,247.00
06/01/2026	Serial Coupon	5.000%	3.360%	1,760,000.00	103.845%		-	-	-	1,827,672.00
06/01/2027	Serial Coupon	5.000%	3.260%	1,845,000.00	105.654%		-	-	-	1,949,316.30
06/01/2028	Serial Coupon	5.000%	3.240%	1,935,000.00	107.258%		-	-	-	2,075,442.30
06/01/2029	Serial Coupon	5.000%	3.200%	2,035,000.00	108.956%		-	-	-	2,217,254.60
06/01/2030	Serial Coupon	5.000%	3.190%	2,140,000.00	110.495%		-	-	-	2,364,593.00
06/01/2031	Serial Coupon	5.000%	3.170%	4,505,000.00	112.077%		-	-	-	5,049,068.85
06/01/2032	Serial Coupon	5.000%	3.200%	4,735,000.00	113.252%		-	-	-	5,362,482.20
06/01/2033	Serial Coupon	5.000%	3.270%	4,970,000.00	113.982%		-	-	-	5,664,905.40
06/01/2034	Serial Coupon	5.000%	3.360%	5,220,000.00	113.491%	c	3.453%	09/01/2033	100.000%	5,924,230.20
06/01/2035	Serial Coupon	5.000%	3.460%	5,480,000.00	112.608%	c	3.644%	09/01/2033	100.000%	6,170,918.40
06/01/2036	Serial Coupon	5.000%	3.600%	5,750,000.00	111.385%	c	3.842%	09/01/2033	100.000%	6,404,637.50
06/01/2037	Serial Coupon	5.000%	3.760%	6,045,000.00	110.007%	c	4.030%	09/01/2033	100.000%	6,649,923.15
06/01/2038	Serial Coupon	5.000%	3.870%	6,340,000.00	109.071%	c	4.159%	09/01/2033	100.000%	6,915,101.40
06/01/2039	Serial Coupon	5.000%	3.940%	6,660,000.00	108.480%	c	4.246%	09/01/2033	100.000%	7,224,768.00
06/01/2040	Serial Coupon	5.000%	4.010%	6,995,000.00	107.894%	c	4.325%	09/01/2033	100.000%	7,547,185.30
06/01/2041	Serial Coupon	5.000%	4.080%	7,345,000.00	107.311%	c	4.396%	09/01/2033	100.000%	7,881,992.95
06/01/2042	Serial Coupon	5.000%	4.160%	7,710,000.00	106.650%	c	4.467%	09/01/2033	100.000%	8,222,715.00
06/01/2043	Serial Coupon	5.000%	4.200%	8,100,000.00	106.321%	c	4.509%	09/01/2033	100.000%	8,612,001.00
Total	**-**	**-**	**-**	**$95,275,000.00**	**-**	**-**	**-**	**-**	**-**	**$103,832,374.95**

Bid Information

Par Amount of Bonds	$95,275,000.00
Reoffering Premium or (Discount)	8,557,374.95
Gross Production	$103,832,374.95
Total Underwriter's Discount (0.430%)	$(409,682.50)
Bid (108.552%)	103,422,692.45
Total Purchase Price	$103,422,692.45
Bond Year Dollars	$1,178,017.01
Average Life	12.364 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3083553%
True Interest Cost (TIC)	4.0776948%

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2024	4,030,000.00	5.000%	2,209,850.69	6,239,850.69
12/01/2024	-	-	2,281,125.00	2,281,125.00
06/01/2025	1,675,000.00	5.000%	2,281,125.00	3,956,125.00
12/01/2025	-	-	2,239,250.00	2,239,250.00
06/01/2026	1,760,000.00	5.000%	2,239,250.00	3,999,250.00
12/01/2026	-	-	2,195,250.00	2,195,250.00
06/01/2027	1,845,000.00	5.000%	2,195,250.00	4,040,250.00
12/01/2027	-	-	2,149,125.00	2,149,125.00
06/01/2028	1,935,000.00	5.000%	2,149,125.00	4,084,125.00
12/01/2028	-	-	2,100,750.00	2,100,750.00
06/01/2029	2,035,000.00	5.000%	2,100,750.00	4,135,750.00
12/01/2029	-	-	2,049,875.00	2,049,875.00
06/01/2030	2,140,000.00	5.000%	2,049,875.00	4,189,875.00
12/01/2030	-	-	1,996,375.00	1,996,375.00
06/01/2031	4,505,000.00	5.000%	1,996,375.00	6,501,375.00
12/01/2031	-	-	1,883,750.00	1,883,750.00
06/01/2032	4,735,000.00	5.000%	1,883,750.00	6,618,750.00
12/01/2032	-	-	1,765,375.00	1,765,375.00
06/01/2033	4,970,000.00	5.000%	1,765,375.00	6,735,375.00
12/01/2033	-	-	1,641,125.00	1,641,125.00
06/01/2034	5,220,000.00	5.000%	1,641,125.00	6,861,125.00
12/01/2034	-	-	1,510,625.00	1,510,625.00
06/01/2035	5,480,000.00	5.000%	1,510,625.00	6,990,625.00
12/01/2035	-	-	1,373,625.00	1,373,625.00
06/01/2036	5,750,000.00	5.000%	1,373,625.00	7,123,625.00
12/01/2036	-	-	1,229,875.00	1,229,875.00
06/01/2037	6,045,000.00	5.000%	1,229,875.00	7,274,875.00
12/01/2037	-	-	1,078,750.00	1,078,750.00
06/01/2038	6,340,000.00	5.000%	1,078,750.00	7,418,750.00
12/01/2038	-	-	920,250.00	920,250.00
06/01/2039	6,660,000.00	5.000%	920,250.00	7,580,250.00
12/01/2039	-	-	753,750.00	753,750.00
06/01/2040	6,995,000.00	5.000%	753,750.00	7,748,750.00
12/01/2040	-	-	578,875.00	578,875.00
06/01/2041	7,345,000.00	5.000%	578,875.00	7,923,875.00
12/01/2041	-	-	395,250.00	395,250.00
06/01/2042	7,710,000.00	5.000%	395,250.00	8,105,250.00
12/01/2042	-	-	202,500.00	202,500.00
06/01/2043	8,100,000.00	5.000%	202,500.00	8,302,500.00
Total	**$95,275,000.00**	**-**	**$58,900,850.69**	**$154,175,850.69**

Yield Statistics

Bond Year Dollars	$1,178,017.01
Average Life	12.364 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3083553%
True Interest Cost (TIC)	4.0776948%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1514473%

IRS Form 8038

Net Interest Cost	3.9202817%
Weighted Average Maturity	12.368 Years

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2024	4,030,000.00	5.000%	2,209,850.69	6,239,850.69
06/30/2025	1,675,000.00	5.000%	4,562,250.00	6,237,250.00
06/30/2026	1,760,000.00	5.000%	4,478,500.00	6,238,500.00
06/30/2027	1,845,000.00	5.000%	4,390,500.00	6,235,500.00
06/30/2028	1,935,000.00	5.000%	4,298,250.00	6,233,250.00
06/30/2029	2,035,000.00	5.000%	4,201,500.00	6,236,500.00
06/30/2030	2,140,000.00	5.000%	4,099,750.00	6,239,750.00
06/30/2031	4,505,000.00	5.000%	3,992,750.00	8,497,750.00
06/30/2032	4,735,000.00	5.000%	3,767,500.00	8,502,500.00
06/30/2033	4,970,000.00	5.000%	3,530,750.00	8,500,750.00
06/30/2034	5,220,000.00	5.000%	3,282,250.00	8,502,250.00
06/30/2035	5,480,000.00	5.000%	3,021,250.00	8,501,250.00
06/30/2036	5,750,000.00	5.000%	2,747,250.00	8,497,250.00
06/30/2037	6,045,000.00	5.000%	2,459,750.00	8,504,750.00
06/30/2038	6,340,000.00	5.000%	2,157,500.00	8,497,500.00
06/30/2039	6,660,000.00	5.000%	1,840,500.00	8,500,500.00
06/30/2040	6,995,000.00	5.000%	1,507,500.00	8,502,500.00
06/30/2041	7,345,000.00	5.000%	1,157,750.00	8,502,750.00
06/30/2042	7,710,000.00	5.000%	790,500.00	8,500,500.00
06/30/2043	8,100,000.00	5.000%	405,000.00	8,505,000.00
Total	**$95,275,000.00**	**-**	**$58,900,850.69**	**$154,175,850.69**

Yield Statistics

Bond Year Dollars	$1,178,017.01
Average Life	12.364 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3083553%
True Interest Cost (TIC)	4.0776948%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1514473%

IRS Form 8038

Net Interest Cost	3.9202817%
Weighted Average Maturity	12.368 Years

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Proof of D/S for Arbitrage Purposes

Date	Principal	Interest	Total
12/14/2023	-	-	-
06/01/2024	4,030,000.00	2,209,850.69	6,239,850.69
12/01/2024	-	2,281,125.00	2,281,125.00
06/01/2025	1,675,000.00	2,281,125.00	3,956,125.00
12/01/2025	-	2,239,250.00	2,239,250.00
06/01/2026	1,760,000.00	2,239,250.00	3,999,250.00
12/01/2026	-	2,195,250.00	2,195,250.00
06/01/2027	1,845,000.00	2,195,250.00	4,040,250.00
12/01/2027	-	2,149,125.00	2,149,125.00
06/01/2028	1,935,000.00	2,149,125.00	4,084,125.00
12/01/2028	-	2,100,750.00	2,100,750.00
06/01/2029	2,035,000.00	2,100,750.00	4,135,750.00
12/01/2029	-	2,049,875.00	2,049,875.00
06/01/2030	2,140,000.00	2,049,875.00	4,189,875.00
12/01/2030	-	1,996,375.00	1,996,375.00
06/01/2031	4,505,000.00	1,996,375.00	6,501,375.00
12/01/2031	-	1,883,750.00	1,883,750.00
06/01/2032	4,735,000.00	1,883,750.00	6,618,750.00
12/01/2032	-	1,765,375.00	1,765,375.00
06/01/2033	4,970,000.00	1,765,375.00	6,735,375.00
09/01/2033	65,645,000.00	820,562.50	66,465,562.50
Total	**$95,275,000.00**	**$40,352,163.19**	**$135,627,163.19**

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Proof of Bond Yield @ 3.7374214%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
12/14/2023	-	1.0000000x	-	-
06/01/2024	6,239,850.69	0.9829692x	6,133,581.12	6,133,581.12
12/01/2024	2,281,125.00	0.9649373x	2,201,142.66	8,334,723.78
06/01/2025	3,956,125.00	0.9472362x	3,747,384.89	12,082,108.67
12/01/2025	2,239,250.00	0.9298598x	2,082,188.63	14,164,297.29
06/01/2026	3,999,250.00	0.9128022x	3,650,524.19	17,814,821.48
12/01/2026	2,195,250.00	0.8960575x	1,967,070.17	19,781,891.66
06/01/2027	4,040,250.00	0.8796199x	3,553,884.40	23,335,776.06
12/01/2027	2,149,125.00	0.8634839x	1,855,734.85	25,191,510.91
06/01/2028	4,084,125.00	0.8476439x	3,461,883.63	28,653,394.54
12/01/2028	2,100,750.00	0.8320945x	1,748,022.43	30,401,416.97
06/01/2029	4,135,750.00	0.8168303x	3,378,205.76	33,779,622.73
12/01/2029	2,049,875.00	0.8018461x	1,643,684.23	35,423,306.96
06/01/2030	4,189,875.00	0.7871368x	3,298,004.68	38,721,311.64
12/01/2030	1,996,375.00	0.7726973x	1,542,593.56	40,263,905.20
06/01/2031	6,501,375.00	0.7585227x	4,931,440.51	45,195,345.70
12/01/2031	1,883,750.00	0.7446081x	1,402,655.56	46,598,001.26
06/01/2032	6,618,750.00	0.7309488x	4,837,967.42	51,435,968.68
12/01/2032	1,765,375.00	0.7175401x	1,266,727.28	52,702,695.97
06/01/2033	6,735,375.00	0.7043773x	4,744,245.16	57,446,941.13
09/01/2033	66,465,562.50	0.6978867x	46,385,433.82	103,832,374.95
Total	**$135,627,163.19**	**-**	**$103,832,374.95**	**-**

Derivation Of Target Amount

Par Amount of Bonds	$95,275,000.00
Reoffering Premium or (Discount)	8,557,374.95
Original Issue Proceeds	$103,832,374.95

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Coupon	Price	Issuance Price	Exponent	Bond Years
06/01/2024	4,030,000.00	5.000%	100.668%	4,056,920.40	0.4638889x	1,881,960.30
06/01/2025	1,675,000.00	5.000%	102.164%	1,711,247.00	1.4638889x	2,505,075.47
06/01/2026	1,760,000.00	5.000%	103.845%	1,827,672.00	2.4638889x	4,503,180.73
06/01/2027	1,845,000.00	5.000%	105.654%	1,949,316.30	3.4638889x	6,752,215.07
06/01/2028	1,935,000.00	5.000%	107.258%	2,075,442.30	4.4638889x	9,264,543.82
06/01/2029	2,035,000.00	5.000%	108.956%	2,217,254.60	5.4638889x	12,114,832.77
06/01/2030	2,140,000.00	5.000%	110.495%	2,364,593.00	6.4638889x	15,284,466.42
06/01/2031	4,505,000.00	5.000%	112.077%	5,049,068.85	7.4638889x	37,685,688.89
06/01/2032	4,735,000.00	5.000%	113.252%	5,362,482.20	8.4638889x	45,387,453.51
06/01/2033	4,970,000.00	5.000%	113.982%	5,664,905.40	9.4638889x	53,612,035.27
06/01/2034	5,220,000.00	5.000%	113.491%	5,924,230.20	10.4638889x	61,990,486.57
06/01/2035	5,480,000.00	5.000%	112.608%	6,170,918.40	11.4638889x	70,742,722.88
06/01/2036	5,750,000.00	5.000%	111.385%	6,404,637.50	12.4638889x	79,826,690.17
06/01/2037	6,045,000.00	5.000%	110.007%	6,649,923.15	13.4638889x	89,533,826.41
06/01/2038	6,340,000.00	5.000%	109.071%	6,915,101.40	14.4638889x	100,019,258.31
06/01/2039	6,660,000.00	5.000%	108.480%	7,224,768.00	15.4638889x	111,723,009.60
06/01/2040	6,995,000.00	5.000%	107.894%	7,547,185.30	16.4638889x	124,256,020.20
06/01/2041	7,345,000.00	5.000%	107.311%	7,881,992.95	17.4638889x	137,650,249.10
06/01/2042	7,710,000.00	5.000%	106.650%	8,222,715.00	18.4638889x	151,823,296.13
06/01/2043	8,100,000.00	5.000%	106.321%	8,612,001.00	19.4638889x	167,623,030.58
Total	**$95,275,000.00**	**-**	**-**	**$103,832,374.95**	**-**	**$1,284,180,042.20**

Description of Bonds	
Final Maturity Date	6/01/2043
Issue price of entire issue	103,832,374.95
Stated Redemption at Maturity	95,275,000.00
Weighted Average Maturity = Bond Years/Issue Price	12.368 Years
Bond Yield for Arbitrage Purposes	3.7374214%

Uses of Proceeds of Issue	
Proceeds used for accrued interest	-
Proceeds used for bond issuance costs (including underwriters' discount)	1,097,182.50
Proceeds used for credit enhancement	-
Proceeds allocated to reasonably required reserve or replacement fund	-

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Detention Center Portion)

Sources & Uses

Dated 12/14/2023 | Delivered 12/14/2023

Sources Of Funds	
Par Amount of Bonds	$70,390,000.00
Reoffering Premium	6,421,410.60
Total Sources	**$76,811,410.60**

Uses Of Funds	
Total Underwriter's Discount (0.430%)	302,677.00
Costs of Issuance	507,930.99
Deposit to Project Fund - Detention Ctr	76,000,000.00
Rounding Amount	802.61
Total Uses	**$76,811,410.60**

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Detention Center Portion)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		YTM	Call Date	Call Price	Dollar Price
06/01/2024	Serial Coupon	5.000%	3.530%	2,660,000.00	100.668%		-	-	-	2,677,768.80
06/01/2025	Serial Coupon	5.000%	3.470%	905,000.00	102.164%		-	-	-	924,584.20
06/01/2026	Serial Coupon	5.000%	3.360%	950,000.00	103.845%		-	-	-	986,527.50
06/01/2027	Serial Coupon	5.000%	3.260%	995,000.00	105.654%		-	-	-	1,051,257.30
06/01/2028	Serial Coupon	5.000%	3.240%	1,045,000.00	107.258%		-	-	-	1,120,846.10
06/01/2029	Serial Coupon	5.000%	3.200%	1,100,000.00	108.956%		-	-	-	1,198,516.00
06/01/2030	Serial Coupon	5.000%	3.190%	1,155,000.00	110.495%		-	-	-	1,276,217.25
06/01/2031	Serial Coupon	5.000%	3.170%	3,475,000.00	112.077%		-	-	-	3,894,675.75
06/01/2032	Serial Coupon	5.000%	3.200%	3,650,000.00	113.252%		-	-	-	4,133,698.00
06/01/2033	Serial Coupon	5.000%	3.270%	3,835,000.00	113.982%		-	-	-	4,371,209.70
06/01/2034	Serial Coupon	5.000%	3.360%	4,025,000.00	113.491%	c	3.453%	09/01/2033	100.000%	4,568,012.75
06/01/2035	Serial Coupon	5.000%	3.460%	4,225,000.00	112.608%	c	3.644%	09/01/2033	100.000%	4,757,688.00
06/01/2036	Serial Coupon	5.000%	3.600%	4,435,000.00	111.385%	c	3.842%	09/01/2033	100.000%	4,939,924.75
06/01/2037	Serial Coupon	5.000%	3.760%	4,660,000.00	110.007%	c	4.030%	09/01/2033	100.000%	5,126,326.20
06/01/2038	Serial Coupon	5.000%	3.870%	4,890,000.00	109.071%	c	4.159%	09/01/2033	100.000%	5,333,571.90
06/01/2039	Serial Coupon	5.000%	3.940%	5,135,000.00	108.480%	c	4.246%	09/01/2033	100.000%	5,570,448.00
06/01/2040	Serial Coupon	5.000%	4.010%	5,395,000.00	107.894%	c	4.325%	09/01/2033	100.000%	5,820,881.30
06/01/2041	Serial Coupon	5.000%	4.080%	5,665,000.00	107.311%	c	4.396%	09/01/2033	100.000%	6,079,168.15
06/01/2042	Serial Coupon	5.000%	4.160%	5,945,000.00	106.650%	c	4.467%	09/01/2033	100.000%	6,340,342.50
06/01/2043	Serial Coupon	5.000%	4.200%	6,245,000.00	106.321%	c	4.509%	09/01/2033	100.000%	6,639,746.45
Total	**-**	**-**	**-**	**$70,390,000.00**	**-**	**-**	**-**	**-**	**-**	**$76,811,410.60**

Bid Information

Par Amount of Bonds	$70,390,000.00
Reoffering Premium or (Discount)	6,421,410.60
Gross Production	$76,811,410.60
Total Underwriter's Discount (0.430%)	$(302,677.00)
Bid (108.693%)	76,508,733.60
Total Purchase Price	$76,508,733.60
Bond Year Dollars	$897,393.14
Average Life	12.749 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3181658%
True Interest Cost (TIC)	4.0878928%

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Detention Center Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2024	2,660,000.00	5.000%	1,632,656.94	4,292,656.94
12/01/2024	-	-	1,693,250.00	1,693,250.00
06/01/2025	905,000.00	5.000%	1,693,250.00	2,598,250.00
12/01/2025	-	-	1,670,625.00	1,670,625.00
06/01/2026	950,000.00	5.000%	1,670,625.00	2,620,625.00
12/01/2026	-	-	1,646,875.00	1,646,875.00
06/01/2027	995,000.00	5.000%	1,646,875.00	2,641,875.00
12/01/2027	-	-	1,622,000.00	1,622,000.00
06/01/2028	1,045,000.00	5.000%	1,622,000.00	2,667,000.00
12/01/2028	-	-	1,595,875.00	1,595,875.00
06/01/2029	1,100,000.00	5.000%	1,595,875.00	2,695,875.00
12/01/2029	-	-	1,568,375.00	1,568,375.00
06/01/2030	1,155,000.00	5.000%	1,568,375.00	2,723,375.00
12/01/2030	-	-	1,539,500.00	1,539,500.00
06/01/2031	3,475,000.00	5.000%	1,539,500.00	5,014,500.00
12/01/2031	-	-	1,452,625.00	1,452,625.00
06/01/2032	3,650,000.00	5.000%	1,452,625.00	5,102,625.00
12/01/2032	-	-	1,361,375.00	1,361,375.00
06/01/2033	3,835,000.00	5.000%	1,361,375.00	5,196,375.00
12/01/2033	-	-	1,265,500.00	1,265,500.00
06/01/2034	4,025,000.00	5.000%	1,265,500.00	5,290,500.00
12/01/2034	-	-	1,164,875.00	1,164,875.00
06/01/2035	4,225,000.00	5.000%	1,164,875.00	5,389,875.00
12/01/2035	-	-	1,059,250.00	1,059,250.00
06/01/2036	4,435,000.00	5.000%	1,059,250.00	5,494,250.00
12/01/2036	-	-	948,375.00	948,375.00
06/01/2037	4,660,000.00	5.000%	948,375.00	5,608,375.00
12/01/2037	-	-	831,875.00	831,875.00
06/01/2038	4,890,000.00	5.000%	831,875.00	5,721,875.00
12/01/2038	-	-	709,625.00	709,625.00
06/01/2039	5,135,000.00	5.000%	709,625.00	5,844,625.00
12/01/2039	-	-	581,250.00	581,250.00
06/01/2040	5,395,000.00	5.000%	581,250.00	5,976,250.00
12/01/2040	-	-	446,375.00	446,375.00
06/01/2041	5,665,000.00	5.000%	446,375.00	6,111,375.00
12/01/2041	-	-	304,750.00	304,750.00
06/01/2042	5,945,000.00	5.000%	304,750.00	6,249,750.00
12/01/2042	-	-	156,125.00	156,125.00
06/01/2043	6,245,000.00	5.000%	156,125.00	6,401,125.00
Total	**$70,390,000.00**	**-**	**$44,869,656.94**	**$115,259,656.94**

Yield Statistics

Bond Year Dollars	$897,393.14
Average Life	12.749 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3181658%
True Interest Cost (TIC)	4.0878928%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1596506%

IRS Form 8038

Net Interest Cost	3.9296504%
Weighted Average Maturity	12.738 Years

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Detention Center Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2024	2,660,000.00	5.000%	1,632,656.94	4,292,656.94
06/30/2025	905,000.00	5.000%	3,386,500.00	4,291,500.00
06/30/2026	950,000.00	5.000%	3,341,250.00	4,291,250.00
06/30/2027	995,000.00	5.000%	3,293,750.00	4,288,750.00
06/30/2028	1,045,000.00	5.000%	3,244,000.00	4,289,000.00
06/30/2029	1,100,000.00	5.000%	3,191,750.00	4,291,750.00
06/30/2030	1,155,000.00	5.000%	3,136,750.00	4,291,750.00
06/30/2031	3,475,000.00	5.000%	3,079,000.00	6,554,000.00
06/30/2032	3,650,000.00	5.000%	2,905,250.00	6,555,250.00
06/30/2033	3,835,000.00	5.000%	2,722,750.00	6,557,750.00
06/30/2034	4,025,000.00	5.000%	2,531,000.00	6,556,000.00
06/30/2035	4,225,000.00	5.000%	2,329,750.00	6,554,750.00
06/30/2036	4,435,000.00	5.000%	2,118,500.00	6,553,500.00
06/30/2037	4,660,000.00	5.000%	1,896,750.00	6,556,750.00
06/30/2038	4,890,000.00	5.000%	1,663,750.00	6,553,750.00
06/30/2039	5,135,000.00	5.000%	1,419,250.00	6,554,250.00
06/30/2040	5,395,000.00	5.000%	1,162,500.00	6,557,500.00
06/30/2041	5,665,000.00	5.000%	892,750.00	6,557,750.00
06/30/2042	5,945,000.00	5.000%	609,500.00	6,554,500.00
06/30/2043	6,245,000.00	5.000%	312,250.00	6,557,250.00
Total	**$70,390,000.00**	**-**	**$44,869,656.94**	**$115,259,656.94**

Yield Statistics

Bond Year Dollars	$897,393.14
Average Life	12.749 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3181658%
True Interest Cost (TIC)	4.0878928%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1596506%

IRS Form 8038

Net Interest Cost	3.9296504%
Weighted Average Maturity	12.738 Years

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Regional Park Portion)

Sources & Uses

Dated 12/14/2023 | Delivered 12/14/2023

Sources Of Funds	
Par Amount of Bonds	$24,885,000.00
Reoffering Premium	2,135,964.35
Total Sources	**$27,020,964.35**

Uses Of Funds	
Total Underwriter's Discount (0.430%)	107,005.50
Costs of Issuance	179,569.01
Deposit to Project Fund - Regional Park	26,730,000.00
Rounding Amount	4,389.84
Total Uses	**$27,020,964.35**

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Regional Park Portion)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price		YTM	Call Date	Call Price	Dollar Price
06/01/2024	Serial Coupon	5.000%	3.530%	1,370,000.00	100.668%		-	-	-	1,379,151.60
06/01/2025	Serial Coupon	5.000%	3.470%	770,000.00	102.164%		-	-	-	786,662.80
06/01/2026	Serial Coupon	5.000%	3.360%	810,000.00	103.845%		-	-	-	841,144.50
06/01/2027	Serial Coupon	5.000%	3.260%	850,000.00	105.654%		-	-	-	898,059.00
06/01/2028	Serial Coupon	5.000%	3.240%	890,000.00	107.258%		-	-	-	954,596.20
06/01/2029	Serial Coupon	5.000%	3.200%	935,000.00	108.956%		-	-	-	1,018,738.60
06/01/2030	Serial Coupon	5.000%	3.190%	985,000.00	110.495%		-	-	-	1,088,375.75
06/01/2031	Serial Coupon	5.000%	3.170%	1,030,000.00	112.077%		-	-	-	1,154,393.10
06/01/2032	Serial Coupon	5.000%	3.200%	1,085,000.00	113.252%		-	-	-	1,228,784.20
06/01/2033	Serial Coupon	5.000%	3.270%	1,135,000.00	113.982%		-	-	-	1,293,695.70
06/01/2034	Serial Coupon	5.000%	3.360%	1,195,000.00	113.491%	c	3.453%	09/01/2033	100.000%	1,356,217.45
06/01/2035	Serial Coupon	5.000%	3.460%	1,255,000.00	112.608%	c	3.644%	09/01/2033	100.000%	1,413,230.40
06/01/2036	Serial Coupon	5.000%	3.600%	1,315,000.00	111.385%	c	3.842%	09/01/2033	100.000%	1,464,712.75
06/01/2037	Serial Coupon	5.000%	3.760%	1,385,000.00	110.007%	c	4.030%	09/01/2033	100.000%	1,523,596.95
06/01/2038	Serial Coupon	5.000%	3.870%	1,450,000.00	109.071%	c	4.159%	09/01/2033	100.000%	1,581,529.50
06/01/2039	Serial Coupon	5.000%	3.940%	1,525,000.00	108.480%	c	4.246%	09/01/2033	100.000%	1,654,320.00
06/01/2040	Serial Coupon	5.000%	4.010%	1,600,000.00	107.894%	c	4.325%	09/01/2033	100.000%	1,726,304.00
06/01/2041	Serial Coupon	5.000%	4.080%	1,680,000.00	107.311%	c	4.396%	09/01/2033	100.000%	1,802,824.80
06/01/2042	Serial Coupon	5.000%	4.160%	1,765,000.00	106.650%	c	4.467%	09/01/2033	100.000%	1,882,372.50
06/01/2043	Serial Coupon	5.000%	4.200%	1,855,000.00	106.321%	c	4.509%	09/01/2033	100.000%	1,972,254.55
Total	**-**	**-**	**-**	**$24,885,000.00**	**-**	**-**	**-**	**-**	**-**	**$27,020,964.35**

Bid Information

Par Amount of Bonds	$24,885,000.00
Reoffering Premium or (Discount)	2,135,964.35
Gross Production	$27,020,964.35
Total Underwriter's Discount (0.430%)	$(107,005.50)
Bid (108.153%)	26,913,958.85
Total Purchase Price	$26,913,958.85
Bond Year Dollars	$280,623.88
Average Life	11.277 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.2769828%
True Interest Cost (TIC)	4.0454369%

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Regional Park Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2024	1,370,000.00	5.000%	577,193.75	1,947,193.75
12/01/2024	-	-	587,875.00	587,875.00
06/01/2025	770,000.00	5.000%	587,875.00	1,357,875.00
12/01/2025	-	-	568,625.00	568,625.00
06/01/2026	810,000.00	5.000%	568,625.00	1,378,625.00
12/01/2026	-	-	548,375.00	548,375.00
06/01/2027	850,000.00	5.000%	548,375.00	1,398,375.00
12/01/2027	-	-	527,125.00	527,125.00
06/01/2028	890,000.00	5.000%	527,125.00	1,417,125.00
12/01/2028	-	-	504,875.00	504,875.00
06/01/2029	935,000.00	5.000%	504,875.00	1,439,875.00
12/01/2029	-	-	481,500.00	481,500.00
06/01/2030	985,000.00	5.000%	481,500.00	1,466,500.00
12/01/2030	-	-	456,875.00	456,875.00
06/01/2031	1,030,000.00	5.000%	456,875.00	1,486,875.00
12/01/2031	-	-	431,125.00	431,125.00
06/01/2032	1,085,000.00	5.000%	431,125.00	1,516,125.00
12/01/2032	-	-	404,000.00	404,000.00
06/01/2033	1,135,000.00	5.000%	404,000.00	1,539,000.00
12/01/2033	-	-	375,625.00	375,625.00
06/01/2034	1,195,000.00	5.000%	375,625.00	1,570,625.00
12/01/2034	-	-	345,750.00	345,750.00
06/01/2035	1,255,000.00	5.000%	345,750.00	1,600,750.00
12/01/2035	-	-	314,375.00	314,375.00
06/01/2036	1,315,000.00	5.000%	314,375.00	1,629,375.00
12/01/2036	-	-	281,500.00	281,500.00
06/01/2037	1,385,000.00	5.000%	281,500.00	1,666,500.00
12/01/2037	-	-	246,875.00	246,875.00
06/01/2038	1,450,000.00	5.000%	246,875.00	1,696,875.00
12/01/2038	-	-	210,625.00	210,625.00
06/01/2039	1,525,000.00	5.000%	210,625.00	1,735,625.00
12/01/2039	-	-	172,500.00	172,500.00
06/01/2040	1,600,000.00	5.000%	172,500.00	1,772,500.00
12/01/2040	-	-	132,500.00	132,500.00
06/01/2041	1,680,000.00	5.000%	132,500.00	1,812,500.00
12/01/2041	-	-	90,500.00	90,500.00
06/01/2042	1,765,000.00	5.000%	90,500.00	1,855,500.00
12/01/2042	-	-	46,375.00	46,375.00
06/01/2043	1,855,000.00	5.000%	46,375.00	1,901,375.00
Total	**$24,885,000.00**	**-**	**$14,031,193.75**	**$38,916,193.75**

Yield Statistics

Bond Year Dollars	$280,623.88
Average Life	11.277 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.2769828%
True Interest Cost (TIC)	4.0454369%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1254942%

IRS Form 8038

Net Interest Cost	3.8903031%
Weighted Average Maturity	11.316 Years

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Regional Park Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2024	1,370,000.00	5.000%	577,193.75	1,947,193.75
06/30/2025	770,000.00	5.000%	1,175,750.00	1,945,750.00
06/30/2026	810,000.00	5.000%	1,137,250.00	1,947,250.00
06/30/2027	850,000.00	5.000%	1,096,750.00	1,946,750.00
06/30/2028	890,000.00	5.000%	1,054,250.00	1,944,250.00
06/30/2029	935,000.00	5.000%	1,009,750.00	1,944,750.00
06/30/2030	985,000.00	5.000%	963,000.00	1,948,000.00
06/30/2031	1,030,000.00	5.000%	913,750.00	1,943,750.00
06/30/2032	1,085,000.00	5.000%	862,250.00	1,947,250.00
06/30/2033	1,135,000.00	5.000%	808,000.00	1,943,000.00
06/30/2034	1,195,000.00	5.000%	751,250.00	1,946,250.00
06/30/2035	1,255,000.00	5.000%	691,500.00	1,946,500.00
06/30/2036	1,315,000.00	5.000%	628,750.00	1,943,750.00
06/30/2037	1,385,000.00	5.000%	563,000.00	1,948,000.00
06/30/2038	1,450,000.00	5.000%	493,750.00	1,943,750.00
06/30/2039	1,525,000.00	5.000%	421,250.00	1,946,250.00
06/30/2040	1,600,000.00	5.000%	345,000.00	1,945,000.00
06/30/2041	1,680,000.00	5.000%	265,000.00	1,945,000.00
06/30/2042	1,765,000.00	5.000%	181,000.00	1,946,000.00
06/30/2043	1,855,000.00	5.000%	92,750.00	1,947,750.00
Total	**$24,885,000.00**	**-**	**$14,031,193.75**	**$38,916,193.75**

Yield Statistics

Bond Year Dollars	$280,623.88
Average Life	11.277 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.2769828%
True Interest Cost (TIC)	4.0454369%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1254942%

IRS Form 8038

Net Interest Cost	3.8903031%
Weighted Average Maturity	11.316 Years

The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-283-1133

NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the County Council of Lancaster County, South Carolina (the "County"), in County Council chambers located at 101 North Main Street, Lancaster, South Carolina 29720, at 6:00 p.m. on Monday, September 25, 2023, or at such other location within the said County Courthouse as proper notice on the main entrance to the said County Courthouse might specify.

The purpose of the public hearing is to consider an ordinance authorizing the County to enter into a Base Lease and Conveyance Agreement (the "Base Lease") and an Installment Purchase and Use Agreement each between the County and Lancaster County Public Facilities Corporation (the "Corporation"); approving the form and terms of a Trust Agreement between the Corporation and Regions Bank, as trustee, in connection with the issuance of certain installment purchase revenue bonds (Lancaster County Project) in one or more series; consenting to the issuance of such installment purchase revenue bonds; approving the form of a preliminary official statement with respect to such installment purchase revenue bonds; providing for an exemption from the County's Procurement Code; delegating authority to the Chairman of County Council and the County Administrator, or either of them acting alone, to approve and determine certain matters; and other matters relating thereto.

Pursuant to the Ordinance referenced above, the County will lease certain real property owned by it and convey the improvements currently on or to be constructed on the property to the Corporation. The real property which is the subject of the Base Lease consists of the new Detention Center site, to be located at 1656 Pageland Highway, Lancaster, South Carolina 29720, and the new County Regional Park site, which is an 84.279 acre parcel (TMS# 0044-00-024.01) located on Roselyn Avenue, Lancaster, South Carolina 29720, which is within or adjacent to the proposed Roselyn residential development, and is located generally west of US. Highway 521 (Charlotte Highway), south of W. North Corner Road and east of Old Hickory Road. The Base Lease will be entered into in order to facilitate the issuance of the above-described bonds in an amount sufficient to finance not exceeding $76,000,000* of the costs of acquisition, construction and equipping of a new detention center and not exceeding $26,500,000* of the costs of acquisition, construction and equipping of a new regional park through the installment purchase of the described property.

At the public hearing all taxpayers and residents of the County and any other interested persons who appear will be given an opportunity to express their views for or against the Ordinance and the issuance of the Bonds.

CHAIRMAN, COUNTY COUNCIL,
LANCASTER COUNTY, SOUTH CAROLINA

* Preliminary, subject to change.

lished in The Lancaster News,
Carolina, in accordance with

SWORN to before me this 20th day of September, 2023

Ashley L Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027

NOTARY PUBLIC SOUTH CAROLINA

Newspaper Rep Signature Kristi Ross

The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
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17TH YEAR • NO. 69
01 SECTION • 10 PAGES

INDEX
OUT&ABOUT A10 RELIGION A7
CLASSIFIEDS A8 SPORTS A5
TODAY
THURSDAY
FRIDAY

I hereby certify that on the above notice published in The Lancaster News, a general circulation in Lancaster County, South Carolina, in accordance with law on September 20th 2023.

SWORN to before me this 20th day of September, 2023

Ashley L Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027

NOTARY PUBLIC SOUTH CAROLINA

Newspaper Rep Signature Kristi Ross

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1866
Contact Person / Sponsor: Brian Fulk / Economic Development
Department: Economic Development
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Approve the third and final Reading of Ordinance 2023-1866 and public hearing on October 9, 2023 at which time the company's name will be revealed.

Red line documents of Ordinance, Exhibit A and Exhibit B included for comparison purposes.

Points to Consider:

Project E3 is a small business development opportunity for Lancaster County, SC. At this headquarters location, the Company will have distribution, final assembly, limited repair operations and a showroom facility. The Company intends to build on a 16.6 acre parcel with a minimum investment of $14,335,000 over a 5 year investment period with at least $5,000,000 of this sum invested before the end of calendar year 2027.

Funding and Liability Factors:
Over a 30-year period, the County investment (total tax savings for Project E3) amounts to an estimated $1,458,568, plus cost of land at $450,000.

After 10 years the SSRC ends, and the 12% effective tax abatement ends. After 20 years from the last investment by Project E3, there are no further property tax incentives that apply, and the parcel will revert from the fixed millage to normal ad valorem rates applicable at that time.

The total net new property tax paid over 30 years by the Company will be $3,752,342.

The State of South Carolina is providing an incentives package for this project, approximately $1.06 million in total incentives over a 10 year period, to include Job Development Credits and Job Tax Credits.

The project will be in a multi-county park and we are offering a 12% Special Source Revenue Credit Agreement (SSRC) for the first ten years. The millage rate will be fixed.

Recommendation:
Approve Ordinance with Economic Development Incentives.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1866	10/2/2023	Ordinance
Redline Comparison Version Project E3 FILOT Ordinance 2023-1866	10/2/2023	Backup Material
Exhibit A Project E3 FILOT Agreement 10-9-23	10/2/2023	Exhibit
Redline Comparison Version Exhibit A Project E3 FILOT Agreement 10-		

9-23	10/2/2023	Backup Material
Exhibit B Project E3 Conveyance of Property Agreement 10-9-23	10/2/2023	Exhibit
Redline Comparison Version Exhibit B Conveyance of Property Agreement 10-9-23	10/2/2023	Backup Material
Notice of Public Hearing for Ordinance 2023-1866	10/2/2023	Public Hearing Notices

STATE OF SOUTH CAROLINA)
) **ORDINANCE 2023-1866**
COUNTY OF LANCASTER)

AN ORDINANCE TO AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BY AND AMONG LANCASTER COUNTY, SOUTH CAROLINA, EFACTOR3 LLC AND BENDFELDT HOLDINGS LLC (COMPANIES FORMERLY KNOWN TO THE COUNTY AS PROJECT E3) PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND; TO APPROVE A PROPERTY CONVEYANCE AGREEMENT RELATING TO THE CONVEYANCE OF APPROXIMATELY 16.62 ACRES OF REAL PROPERTY OWNED BY LANCASTER COUNTY AND LOCATED IN THE LANCASTER BUSINESS PARK TO EFACTOR3 LLC, BENDFELDT HOLDINGS LLC OR AN ENTITY TO BE DESIGNATED BY IT; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and Determinations

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (the "County") acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), and specifically Title 12, Chapter 44 of the Code (the "Fee in Lieu of Tax Simplification Act" or "FILOT Act"), to enter into agreements with business and industry, to offer certain privileges, benefits, and incentives as inducements for economic development within the County whereby the industry would pay fees in lieu of *ad valorem* taxes ("FILOT Payments") with respect to qualified business and industrial projects, through all such powers the industrial development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain and expand in the State and thus utilize and employ the workforce, products and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise adequately provided locally; and

(b) The County, acting by and through its Council, is authorized and empowered to establish, in conjunction with one or more other counties, multicounty parks (each, an "MCP") pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina, and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code, as amended (the "MCP Act") to further the investment of capital and the creation of jobs in the County, and to facilitate the provision of special source revenue credits; and

(c) Section 12-44-70 of the FILOT Act, Section 4-1-175 of the MCP Act and Section 4-29-68 of the Code authorizes the Council to provide special source revenue credits ("SSRCs") that are applied against FILOT Payments made pursuant to the FILOT Act and MCP Act to reimburse a project for the costs of designing, acquiring, constructing, improving, or expanding, among other things, (*i*) infrastructure serving the project, or (*ii*) 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; and

(d) eFACTOR3 LLC and Bendfeldt Holdings LLC, formerly known to the County as "Project E3", acting for itself, one or more affiliates, and/or other project sponsors (collectively, the "Company"), is considering the investment in a distribution facility in the County (the "Project"), and, provided that the County enters into certain incentive arrangements with the Company, the Company anticipates that, should plans proceed as expected, investment in the Project will equal or exceed $14,335,000 within the County and at least fifteen (15) new full-time jobs will be created within the County; and

(e) the County owns a parcel of property, consisting of approximately 16.62 acres, located in the Lancaster Business Park and identified by Lancaster County Tax Map No. 0061-00-104.00 (the "Property"), which it acquired with the goal of promoting economic development, capital investment, and job creation in the County; and

(f) the County proposes to convey the Property to the Company in order to facilitate the development of the Project; and

(g) the investment of funds and creation of jobs, as proposed by the Company, provide significant public benefits to the County in the form of an increased tax base that generates additional tax revenues, increases values for adjacent properties and provides needed additional employment opportunities for the County's residents; and

(h) the public benefits to be received by the County in return for the conveyance of the Property to the Company are fair and reasonable compensation; and

(i) Pursuant to Resolution No. 1244-R2023, adopted on September 11, 2023, the Council approved an Inducement Resolution providing for, among other things, the commitment of the County to enter into a fee-in-lieu of tax and incentive agreement with the Company, to provide the SSRCs to the Company, and to convey the Property to the Company under certain terms and conditions.

Section 2. Statutory Findings

Council makes the following additional findings:

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

(b) The Project and the FILOT Payments 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.

(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 of the Project within the County and State is of paramount importance.

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

Section 3. Approval of Fee In Lieu of Tax and Incentive Agreement

The form, terms, and provisions of the Fee In Lieu of Tax and Incentive Agreement (the "Fee Agreement"), attached to this ordinance as Exhibit A, are authorized, ratified and approved, and all the provisions, terms, and conditions thereof are authorized, ratified and approved and incorporated herein by reference as if the Fee Agreement were set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute the Fee Agreement in the name of and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company and performed by the County. The Fee Agreement is to be in substantially the form as attached to this ordinance and hereby approved, with such changes therein as shall not be materially adverse to the County and as shall be approved by the official or officials of the County executing the same, upon the advice of counsel to the County, each 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 attached to this ordinance.

Section 4. Approval of Contract and Conveyance of Property.

(A) The County Administrator is authorized, empowered and directed, in the name of and on behalf of the County, to execute, acknowledge, and deliver the Conveyance of Property Agreement by and between the Company and the County, providing for the conveyance of the Property to the Company in connection with the Project (the "Conveyance Agreement"). The form of the Conveyance Agreement is attached hereto as Exhibit B and all terms, provisions and conditions of the Conveyance Agreement are incorporated herein by reference as if the Conveyance Agreement were set out in this ordinance in its entirety. By enactment of this ordinance, County Council approves the Conveyance Agreement and all of its terms, provisions and conditions. The Conveyance Agreement is to be in substantially the form as attached to this ordinance and hereby approved, or with such minor changes therein as shall be approved by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Conveyance Agreement attached to this ordinance. The County Administrator is also authorized, empowered and directed to execute, acknowledge and deliver, on behalf of the County, a recordable memorandum evidencing the Company's right to purchase the Property.

(B) County Council authorizes and approves the conveyance of the Property to the Company.

Section 5. Economic Development Fund

(a) Council finds that (i) by passage of Ordinance No. 2014-1260, Council created an Economic Development Fund with the intent to make monies available to fund from new revenues to the County derived from new and expanded businesses and industry, and (ii) the ability to make monies available to the Economic Development Fund can be difficult because of complexities and legalities applicable to fee-in-lieu of tax arrangements and MCPs.

(b) It is the intent of Council, in the annual County budget, to appropriate monies to the Economic Development Fund based on the new revenue that the County receives pursuant to the Fee Agreement. Specifically, it is Council's intent to appropriate from the General Fund of the County an amount based on the following formula: Seven percent (7%) times the amount of money received pursuant

to the Fee Agreement by the County after distribution to other taxing entities in the most recently completed tax year.

Section 6. Authority to Act

The Council Chair, Council Secretary, Clerk to County, County Administrator, County Attorney and all other appropriate officials of the County are (and each acting individually is) hereby authorized, empowered, and directed to take such actions and to execute such agreements, certificates, or other documents as may be necessary to effectuate the purposes of this ordinance, and the performance of all obligations of the County under and pursuant to the Fee Agreement and the Conveyance Agreement.

Section 7. Severability

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

Section 8. Conflicting Provisions

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances and resolutions, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 9. Effective Date

This ordinance is effective upon third reading.

[Signatures follow on next page]

AND IT IS SO ORDAINED

Dated this 9th day of October, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Steve Harper, Chair, County Council

_____
Billy Mosteller, Secretary, County Council

ATTEST:

_____
Sherrie Simpson, Clerk to Council

First Reading: September 11, 2023
Second Reading: September 25, 2023
Third Reading: October 9, 2023

Public Hearing: October 9, 2023

Approved as to form:

_____
Ginny L. Merck-Dupont, County Attorney

Exhibit A to Ordinance 2023-1866

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

See attached.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

<u>Exhibit B</u> to Ordinance 2023-1866

CONVEYANCE OF PROPERTY AGREEMENT

See attached.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

STATE OF SOUTH CAROLINA)
) **ORDINANCE ~~2023-____~~2023-1866**
COUNTY OF LANCASTER)

AN ORDINANCE TO AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT ~~BETWEEN~~ BY AND AMONG LANCASTER COUNTY, SOUTH CAROLINA ~~AND~~, EFACTOR3 LLC AND BENDFELDT HOLDINGS LLC (COMPANIES FORMERLY KNOWN TO THE COUNTY AS PROJECT E3~~)~~ PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND; TO APPROVE A PROPERTY CONVEYANCE AGREEMENT RELATING TO THE CONVEYANCE OF APPROXIMATELY ~~[____]~~ 16.62 ACRES OF REAL PROPERTY OWNED BY LANCASTER COUNTY AND LOCATED IN ~~[_____]~~ ~~TO PROJECT E3~~ THE LANCASTER BUSINESS PARK TO EFACTOR3 LLC, BENDFELDT HOLDINGS LLC OR AN ENTITY TO BE DESIGNATED BY IT; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

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(d) ~~a company, whose identity is confidential at this time, currently identified~~ eFACTOR3 LLC and Bendfeldt Holdings LLC, formerly known to the County as "Project E3", acting for itself, one or more affiliates, and/or other project sponsors (collectively, the "Company"), is considering the investment in a distribution facility in the County (the "Project"), and, provided that the County enters into certain incentive arrangements with the Company, the Company anticipates that, should plans proceed as expected, investment in the Project will equal or exceed $14,335,000 within the County and at least fifteen (15) new full-time jobs will be created within the County; and

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To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances and resolutions, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 9. Effective Date

This ordinance is effective upon third reading.

[Signatures follow on next page]

AND IT IS SO ORDAINED

Dated this ~~_____~~ 9th day of ~~_____~~ October, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Steve Harper, Chair, County Council

_____
Billy Mosteller, Secretary, County Council

ATTEST:

_____
Sherrie Simpson, Clerk to Council

First Reading: September 11, 2023
Second Reading: September 25, 2023
Third Reading: ~~_____, 20__~~ October 9, 2023

Public Hearing: ~~_____, 20__~~ October 9, 2023

Approved as to form:

_____
Ginny L. Merck-Dupont, County Attorney

Exhibit A to Ordinance ~~2023-___~~2023-1866

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

See attached.

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Exhibit B to Ordinance ~~2023-___~~2023-1866

CONVEYANCE OF PROPERTY AGREEMENT

See attached.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

by and among

LANCASTER COUNTY, SOUTH CAROLINA,

EFACTOR3 LLC

and

BENDFELDT HOLDINGS LLC

Dated as of _____ __, 2023

NOTICE: THIS AGREEMENT INCLUDES REPORTING REQUIREMENTS TO BE MADE BY EFACTOR3 LLC AND BENDFELDT HOLDINGS LLC INCLUDING, BUT NOT LIMITED TO, THE REQUIREMENTS SET FORTH IN SECTION 4.02 HEREIN.

SUMMARY OF CERTAIN REPORTING REQUIREMENTS

- Each year during the Term, each Company shall deliver, in the manner set forth in **Section 4.02(e)**, to the County Auditor and the County Director of Economic Development a copy of any property tax form or return it files with the South Carolina Department of Revenue with respect to the Project within thirty (30) days of delivery thereof to the South Carolina Department of Revenue. The County and the Companies expect such tax forms or returns to include, but not be limited to:

- the South Carolina Department of Revenue Form PT-443 which, under current laws and regulations must be filed within thirty (30) days of the execution of this Agreement with the South Carolina Department of Revenue, the county auditors of the County and Multi-County Park partner county, and the county assessors of the County and the Multi-County Park partner county; and

- (ii) the South Carolina Department of Revenue Form PT-300 and any applicable schedules thereto (or such successor forms and schedules as may be promulgated by the South Carolina Department of Revenue from time to time), which such form, under current laws and regulations, and subject to certain exceptions, must be filed with the South Carolina Department of Revenue by April 30th of each year (such date being the last day of the fourth month following the Company's closing date for income tax purposes).

- During the Term, the Sponsor shall deliver to the County Auditor and the County Director of Economic Development on or before each May 31 following the end of a property tax year, beginning with May 31, 2024, the annual investment and jobs information with respect to the Companies contained in **Exhibit B** attached hereto.

- Information, returns, certifications or other reports to be provided to the County Auditor shall be in writing and delivered either:

(i) by trackable mail or delivery service to the County Auditor, addressed as follows:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina

or

(ii) by e-mail to the County Auditor or Deputy County Auditor; provided, delivery by e-mail shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the County Auditor's office.

- Information, returns, certifications or other reports to be provided to the County Director of Economic Development shall be in writing and delivered either:

(A) by trackable mail or delivery service to the Economic Development Director, addressed as follows:

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina

or

(B) by e-mail to the Economic Development Director; provided, delivery by e-mail shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the Lancaster County Department of Economic Development.

Oral communication shall not qualify as "delivery" of the information, returns, certifications, or other reports required to be provided under **Section 4.02**.

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

This FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this "Agreement") is dated as of _____ __, 2023 (the "Effective Date"), by and among LANCASTER COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), EFACTOR3 LLC, a limited liability company organized and existing under the laws of the State of North Carolina, (the "Sponsor") and BENDFELDT HOLDINGS LLC, a limited liability company organized and existing under the laws of the State of South Carolina (the "Sponsor Affiliate" and, together with Sponsor, the "Companies").

WITNESSETH:

WHEREAS, the County, acting by and through its County Council, is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina 1976, as amended (the "Code") and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution (the "Multi-County Park Act"): (*i*) to enter into agreements with certain investors to construct, operate, maintain, and improve certain industrial and commercial properties through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the workforce, agricultural products, and natural resources of the State; (*ii*) to covenant with such investors to accept certain payments in lieu of *ad valorem* taxes with respect to the project (a "FILOT"); and (*iii*) to maintain, create or expand, in conjunction with one or more other counties, a multi-county industrial park; and

WHEREAS, the Companies are considering the acquisition, construction and installation of a project known as "Project E3" upon property located in the County (the "Project"); and

WHEREAS, the Companies anticipate that the Project will result in the creation of at least fifteen (15) new, full-time jobs and an investment of at least $14,335,000 in the County; and

WHEREAS, the County Council approved on September 11, 2023, Resolution No. 1244-R2023 (the "Inducement Resolution") to identify, reflect and induce the Project under the Act and to state the commitment of the County to, among other things, enter into this Agreement; and

WHEREAS, as a result of the Companies locating the Project in the County, the Companies requested that the County complete the FILOT arrangement referred to in the Inducement Resolution by entering into this Agreement with the Companies pursuant to the Act, and the Companies elect to enter into such FILOT arrangement with the County in an effort to implement the terms of the Project and allow the Companies to make FILOT payments pursuant to the Act; and

WHEREAS, for the Project, the parties have determined that Sponsor is a "Project Sponsor", Sponsor Affiliate is a "Sponsor Affiliate" and that the Project constitutes "Economic Development Property" within the meaning of the Act; and

WHEREAS, for the purposes set forth above, the County has determined that it is in the best interests of the County to enter into this Agreement with the Companies, subject to the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, and the sum of $1.00 in hand, duly paid by the Companies to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Companies agree as follows:

ARTICLE I

DEFINITIONS AND RECAPITULATION

Section 1.01. Statutorily Required Recapitulation.

(a) Pursuant to Section 12-44-55(B) of the Act, the County and the Companies agree to waive the recapitulation requirements of Section 12-44-55 of the Act. Subsection (b) of this section is inserted for convenience only and does not constitute a part of this Agreement or a summary compliant with Section 12-44-55 of the Act.

(b) Summary of Agreement.

1. Legal name of each initial party to this Agreement: eFACTOR3 LLC, Bendfeldt Holdings LLC and Lancaster County, South Carolina.

2. County, street address, parcel number or other location identifier of the Project and property to be subject to this Agreement:

Lancaster County, South Carolina
Quality Drive, Lancaster, SC 29720
Tax Map ID 0061-00-140.00 (as of the Effective Date)

3. Minimum investment agreed upon: Contract Minimum Investment Requirement.

4. Length and term of this Agreement: twenty (20) years for each annual increment of investment in the Project during the Investment Period.

5. Assessment ratio applicable for each year of this Agreement: 6%, except as otherwise provided in the Agreement.

6. Millage rate applicable for each year of this Agreement: 342.9 mills **plus 50 mills for the City of Lancaster, South Carolina**, except as otherwise provided in the Agreement.

7. Statements

(a) The Project is to be located in a multi-county park;

(b) Disposal of property subject to payments-in-lieu-of-taxes is allowed;

(c) Special Source Revenue Credits shall be applied with respect to the Economic Development Property in amounts equal to twelve percent (12%) of the Negotiated FILOT Payments against each of the first ten (10) annual Negotiated FILOT Payments, *provided, however, that,* the Special Source Revenue Credits shall not apply to the 50 mills attributable to the City of Lancaster, South Carolina or the Additional Fee, and *provided, further, that* Special Source Revenue Credits are subject to retroactive and prospective termination as set forth in **Section 5.01(j)** of this Agreement;

(d) Payment will not be modified using a net present value calculation; and

(e) Replacement Property provisions will apply.

Section 1.02. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings, unless the context or use indicates another or different meaning or intent.

"*Act*" or "*Simplified FILOT Act*" shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

"*Act Minimum Investment Requirement*" shall mean investment in the Project of not less than $2,500,000 (without regard to depreciation or other diminution in value) during the initial Investment Period (prior to any extension), as required by Section 12-44-30(14) of the Act, which investment amount shall be calculated in accordance with Section 12-44-130 of the Act in determining whether the Companies qualify for the FILOT.

"*Additional Fee*" shall mean the payments, if any, to be made by the Companies as set forth in Section 5.01(o) of this Agreement.

"*Administrative Expense*" shall mean the reasonable and necessary out-of-pocket expenses, including attorneys' fees, incurred by the County with respect to: (*i*) the preparation, review, approval and execution of this Agreement, (*ii*) the preparation, review, approval and execution of other documents related to this Agreement and any multi-county park documents; and (*iii*) the fulfillment of its obligations under this Agreement and any multi-county park documents.

"*Affiliate*" shall mean any Person directly or indirectly controlling, controlled by, or under common control with such other Person. For purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Person, whether through the ownership of voting securities, by contract, or otherwise.

"*Agreement*" shall mean this Fee in Lieu of Tax and Incentive Agreement by and among the County and the Companies, as originally executed and from time to time supplemented or amended as permitted herein, and dated as of _____ __, 2023.

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

"*Company*" shall mean each of the Sponsor and Sponsor Affiliate.

"*Companies*" shall mean the Sponsor and Sponsor Affiliate, together with any subsequently joined Sponsor Affiliate(s). Any provision in this Agreement applicable to the "Company" shall be construed to also apply to the "Companies" to the extent one or more Sponsor Affiliate(s) are designated pursuant to **Section 8.04** of this Agreement.

"*Contract Minimum Investment Requirement*" shall mean investment by the Companies in the Project of not less than $14,335,000 (without regard to depreciation or other diminution in value) during the initial Investment Period (prior to any extension).

"Cost of Special Source Improvements" shall mean the costs of designing, acquiring, constructing, improving, equipping or expanding the Special Source Improvements.

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

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

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

"*Economic Development Property*" shall mean each item of real and tangible personal property comprising the Project, except Non-Qualifying Property, within the meaning of that term as defined and used in Sections 12-44-30(6) and 12-44-40(C) of the Code and in this Agreement. For the avoidance of doubt, the term "Economic Development Property" shall include that property described on Exhibit C.

"*Equipment*" shall mean all machinery, equipment, furnishings, and other personal property acquired by Sponsor or Sponsor Affiliate and placed in service as part of the Project during the Investment Period in accordance with this Agreement.

"*Event of Default*" shall mean an Event of Default as defined in **Section 11.01** hereof.

"*Existing Property*" shall mean property proscribed from becoming Economic Development Property pursuant to Section 12-44-110 of the Code, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to the execution and delivery of this Agreement 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 a Company during the Investment Period which has not been placed in service in this State prior to the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; (c) modifications which constitute an expansion of Existing Property; or (d) that property described on Exhibit C.

"*FILOT*" shall mean the fee-in-lieu of taxes, which Sponsor or Sponsor Affiliate are obligated to pay to the County pursuant to **Section 5.01** hereof.

"*FILOT Payments*" shall mean the payments to be made by Sponsor or Sponsor Affiliate pursuant to **Section 5.01** hereof.

"*FILOT Revenues*" shall mean the revenues received by the County from the payment of the FILOT.

"*Full-Time Job"* shall mean a full-time job (i.e., at least thirty (30) hours per week), with health care benefits available. Full-Time Jobs does not include those jobs staffed using a temporary employment agency or staffing agency. Full-time Jobs shall only include those employees who either: (i) are physically and actually located at the Project during working hours, or (ii) reside in the County if working remotely during working hours. Employees relocated from outside of the County may be included as Full-Time Jobs.

"*Investment Period*" shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is six (6) years from the end of the property tax year in which the initial Economic Development Property comprising all, or a portion of, the Project is placed in service, unless extended by agreement of the County and the Companies pursuant to Section 12-44-30(13) of the Code; provided, however, that for purposes of determining compliance with the Act Minimum Investment Requirement, "Investment Period" shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is five (5) years from the end of the property tax year in which the initial Economic Development property comprising all, or a portion of, the Project is placed in service.

"*Jobs Commitment*" shall mean the commitment of the Companies to create and retain Full-Time Jobs with respect to the Project as set forth in **Section 4.01(b)** of this Agreement.

"*Land*" shall mean the real estate upon which the Project is to be located, more specifically identified as Parcel Identification No. 0061-00-104.00 and described on **Exhibit A** attached hereto. Additional real estate may be included by amendment as provided in the **Section 12.12** of this Agreement.

"*Multi-County Park*" means the multi-county park established pursuant to the Amended and Restated Master Multi-County Park Agreement, Amended and Restated as of November 9, 2015, between the County and Chesterfield County, South Carolina, as from time to time amended and updated. Multi-County Park includes any subsequent park or any subsequent park agreement that includes the Land, and as authorized by the Multi-County Park Act.

"*Multi-County Park Act*" shall mean Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution, as amended through the date hereof.

"*Negotiated FILOT Payment*" shall mean the FILOT due pursuant to **Section 5.01(b)** hereof with respect to that portion of the Project consisting of Economic Development Property.

"*Non-Qualifying Property*" shall mean that portion of the Project consisting of: (*i*) property as to which Sponsor or Sponsor Affiliate incurred expenditures prior to the Investment Period or, except as to Replacement Property, after the end of the Investment Period (but for the sake of clarification excluding from the scope of this clause (i) that property described on Exhibit C); (*ii*) Existing Property; and (*iii*) any Released Property or other property which fails or ceases to qualify for Negotiated FILOT Payments, including without limitation property as to which Sponsor or Sponsor Affiliate has terminated the Negotiated FILOT pursuant to **Section 4.03(iii)** hereof.

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

"*Project*" shall mean, collectively herein, the Project, and shall include the buildings and other improvements on the Land to the extent placed thereon by or on behalf of Sponsor or Sponsor Affiliate, including water, sewer treatment and disposal facilities, and other machinery, apparatus, equipment, office facilities, and furnishings which are necessary, suitable, or useful, including the Equipment, and any Replacement Property, to the extent, and with the exception of the Replacement Property, placed in service during the Investment Period.

"*Released Property*" shall mean any portion of the Project removed, scrapped, traded in, sold, or otherwise disposed of pursuant to **Section 4.03** hereof, any portion of the Project stolen, damaged, destroyed, or taken by condemnation or eminent domain proceedings as described in **Article VII** hereof, and any infrastructure which any Company dedicates to the public use (within the meaning of that phrase as used in Section 12-6-3420(C) of the Code).

"*Replacement Property*" shall mean all property placed in service in or on the Land in substitution of, or as replacement for, any portion of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to **Section 5.01(f)** hereof and Section 12-44-60 of the Code.

"Special Source Improvements" shall mean (i) infrastructure serving the Project, or (ii) improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of the Project.

"Special Source Revenue Credits" shall mean the Special Source Revenue Credits described in **Section 5.01(c)** hereof.

"*Sponsor Affiliate*" shall mean Bendfeldt Holdings LLC, a South Carolina limited liability company, its successors and assigns, and any Person who agrees to be bound by the terms and provisions of this Agreement and is approved by the County in writing pursuant to the provisions of **Section 8.04** of this Agreement.

"*State*" shall mean the State of South Carolina.

"*Term*" shall mean the term of this Agreement, as set forth in **Section 10.01** hereof.

"*Transfer Provisions*" shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

Section 1.03. References to Agreement. The words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County represents and warrants that: (*a*) it is a body politic and corporate and a political subdivision of the State; (*b*) it is authorized by the Act to enter into this Agreement; (*c*) it has approved this Agreement in accordance with the procedural requirements of the Act and any other applicable state law; and (*d*) it has authorized its officials to execute and deliver this Agreement.

Section 2.02. Representations and Warranties by Sponsor. The Sponsor makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Sponsor is a limited liability company, validly existing and in good standing under the laws of North Carolina and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT and the Special Source Revenue Credits have been instrumental in inducing Sponsor to locate the Project within Lancaster County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor are pending or threatened against or affecting Sponsor in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(d) The income tax year of Sponsor for federal and state income tax purposes ends December 31.

(e) No event has occurred and no condition currently exists with respect to Sponsor, which would constitute a default hereunder or an "Event of Default" as defined herein.

(f) Sponsor intends to operate the Project for the purpose of a distribution facility. The Project constitutes a "project" and "economic development property" as provided under the Act.

Section 2.03. Representations and Warranties by Sponsor Affiliate. The Sponsor Affiliate makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Sponsor Affiliate is a limited liability company, validly existing and in good standing under the laws of South Carolina and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT and Special Source Revenue Credits have been instrumental in inducing Sponsor Affiliate to locate its portion of the Project within the County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor Affiliate are pending or threatened against or affecting Sponsor Affiliate in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(d) The income tax year of Sponsor Affiliate, and accordingly the Property Tax Year with respect to Sponsor Affiliate, for federal income tax purposes is a 52/53-week fiscal year ending December 31.

(e) To Sponsor Affiliate's knowledge, no event has occurred and no condition currently exists with respect to Sponsor Affiliate, which would constitute a default or an Event of Default as defined herein.

ARTICLE III

UNDERTAKINGS OF THE COUNTY

Section 3.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept FILOT Payments made by the Companies in accordance with **Section 5.01** hereof in lieu of *ad valorem* taxes with respect to the Project until this Agreement expires or is sooner terminated.

Section 3.02. No Warranties by County. The Companies acknowledge that the County has made no warranties or representations, either express or implied, as to the condition or state of the Project or as to the design or capabilities of the Project or that it will be suitable for the Companies' purposes or needs. No representation of the County is hereby made with regard to compliance by the Project or any Person with laws regulating: (*i*) the construction or acquisition of the Project; (*ii*) environmental matters pertaining to the Project; (*iii*) the offer or sale of any securities; or (*iv*) the marketability of title to any property.

Section 3.03. Invalidity. The parties acknowledge that the intent of this Agreement is to afford the Companies the benefits of the Negotiated FILOT Payments and the Special Source Revenue Credits in consideration of the Companies' decision to locate the Project within the County and that this Agreement has been entered into in reliance upon the enactment of the Simplified FILOT Act. In the event that, for any reason, the Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act, in whole or in part, the Companies and the County express their intentions that such payments be reformed so as to afford the Companies benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law.

Absent the legal authorization to effect such reformation, the Companies and the County agree that there shall be due hereunder, with respect to the portion of the Economic Development Property affected by such circumstances, *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be, and that, to the extent permitted by law, the Companies shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law, to the extent the Companies are eligible therefor; (2) to enjoy all allowable depreciation; and (3) to receive other tax credits which would be due if such Company were obligated to pay *ad valorem* taxes, or make FILOT payments pursuant to the Multi-County Park Act, as the case may be, hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are required by law to be subject to retroactive adjustment, then there shall be due and payable by the Companies to the County with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which the Companies would have paid as *ad valorem* taxes, or as FILOT payments pursuant to the Multi-County Park Act, as the case may be, including all exemptions, credits, and depreciation for which the Companies would have otherwise been eligible if it were obligated to pay *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, together with, but only if required by law, interest on such deficiency as provided in Section 12-54-25(D) of the Code. The Companies agree that if this Agreement is reformed as provided in this Section or if retroactive adjustments are made, then under no circumstances shall the County be required to refund or pay any monies to the Companies.

In addition to and notwithstanding the foregoing paragraph, the County shall not be obligated to perform any of its obligations or promises under this **Section 3.03** unless the Sponsor or Sponsor Affiliate, as applicable, has otherwise complied with or provided satisfactory evidence to the County that they intend to comply with its obligations and responsibilities under this Agreement.

Section 3.04. Multi-County Park Status. The County agrees to take action to place the Land in the Multi-County Park, if not already in the Multi-County Park, until the date this Agreement is terminated. If it becomes necessary to move the Land from one multi-county park to another prior to the termination of this Agreement, the County agrees to use its best efforts to place the Land in a multi-county park established pursuant to the Multi-County Park Act and to maintain the multi-county park designation until the date this Agreement is terminated. The parties acknowledge and agree that the County's agreement to place and maintain the Land in a multi-county park may be subject to the exercise of discretion by a governmental entity other than the County and the exercise of that discretion is not controlled by the County.

ARTICLE IV

PROJECT COMMENCEMENT; JOB CREATION AND RETENTION; REPORTING; MAINTENANCE AND MODIFICATION OF PROJECT

Section 4.01. Project Commencement; Job Creation and Retention by Companies.

(a) The Companies commit to initiate construction of the Project on the Business Park Land (as defined in Section 5.01(l) below) within twelve (12) months of the Effective Date of this Agreement (the "Required Commencement Date"). For purposes of this Agreement, "initiate construction" means pouring the concrete footings for the Project or other foundation support structures as shown on the plans approved by the County Development Services Department. Subject to Section 12.14 below or unreasonable delays caused by the County (or any applicable municipality situated within the County) not timely approving any plans, issuing any required permits or taking any other required action necessary to permit the Companies from commencing construction, if the Companies fail to initiate construction by the Required Commencement Date, the Companies shall have the option to either (i) make a payment of Fifty Thousand and No/100 dollars ($50,000.00) to the County within thirty (30) days after the Required Commencement Date, provided if the Companies proceed under the option set forth in this sub-item (i), this Agreement shall continue in full force and effect, or (ii) reconvey the Business Park Land to the County by limited warranty deed in consideration for $100.00 within thirty (30) days after the Required Commencement Date, provided no material damage or waste with respect to the Business Park Land has occurred and not repaired or remedied prior to the reconveyance, and no liens or encumbrances have been placed on the Business Park Land, since the County's initial conveyance of the Business Park Land to the Sponsor Affiliate as described in Section 5.01(l) below (or if such liens or encumbrances have been placed, the same shall be removed or satisfied of record prior to the reconveyance), provided if the Companies proceed under the option set forth in this sub-item (ii), this Agreement shall terminate and the parties shall have no further obligations hereunder except those obligations that expressly survive termination as set forth herein.

(b) The Companies agree and commit to create at least fifteen (15) Full-Time Jobs by no later than the end of the Investment Period, and to thereafter maintain at least fifteen (15) Full-Time Jobs through the end of the Term.

Section 4.02. Reporting and Filing.

(a) Each Company shall maintain, or cause to be maintained, such books and records with respect to the Project as will permit the identification of the portions of the Project placed in service, the amount of investment with respect thereto, any computations of the FILOT Payments and the Special Source Revenue Credits hereunder, the Companies' compliance with the Contract Minimum Investment Requirement and the Sponsor's compliance with the Jobs Commitment. The Companies agree to comply with all reporting requirements of the State and the County applicable to FILOT property under the Act and the Multi-County Park Act.

(b) A County Official may request and obtain, upon prior reasonable notice, such financial books and records from the Companies that supports the respective reports and returns

of each Company as may be reasonably necessary to verify the calculations of the FILOT Payments and the Special Source Revenue Credits, or the Companies' compliance with the Contract Minimum Investment Requirement and Sponsor's compliance with the Jobs Commitment. For purposes of this Agreement, the term "County Official" includes the County Administrator, County Auditor, County Assessor, County Treasurer, and the County Director of Economic Development.

(c) Each year during the Term, each Company shall deliver, in the manner set forth in **Section 4.02(e)** below, to the County Auditor and the County Director of Economic Development a copy of any property tax form or return it files with the South Carolina Department of Revenue with respect to the Project within thirty (30) days of delivery thereof to the South Carolina Department of Revenue. The County and the Companies expect such tax forms or returns to include, but not be limited to:

(i) the South Carolina Department of Revenue Form PT-443 which, under current laws and regulations must be filed within thirty (30) days of the execution of this Agreement with the South Carolina Department of Revenue, the county auditors of the County and Multi-County Park partner county, and the county assessors of the County and the Multi-County Park partner county; and

(ii) the South Carolina Department of Revenue Form PT-300 and any applicable schedules thereto (or such successor forms and schedules as may be promulgated by the South Carolina Department of Revenue from time to time), which such form, under current laws and regulations, and subject to certain exceptions, must be filed with the South Carolina Department of Revenue by April 30th of each year (such date being the last day of the fourth month following each Company's closing date for income tax purposes).

(d) During the Term, the Sponsor shall deliver to the County Auditor and the County Director of Economic Development on or before each May 31 following the end of a property tax year, beginning with May 31, 2024, the annual investment and jobs information with respect to the Companies contained in **Exhibit B** attached hereto.

(e) If any of the information, returns, certifications, or other reports set forth in this **Section 4.02** are not timely delivered, in writing, to the appropriate County officials, in addition to any other remedy available to the County, the County may withhold the applicability of the FILOT and the Special Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for the applicable property tax year. In the event the Company fails to timely deliver any of the information, returns, certifications or other reports due with respect to the Project for the [2024 or 2025] property tax years, the County shall re-instate the applicability of the FILOT and the Special Source Revenue Credits against the FILOT Payments for such property tax years if such information, returns, certifications, or other reports are delivered, in writing, to the appropriate County officials by March 1, [2025] or March 1, [2026], respectively, failing which, in addition to any other remedy available to the County, the FILOT and the Special Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for such property tax year shall be forfeited unless such non-compliance is waived by the County in its sole and absolute discretion pursuant to **Section 12.13** of this Agreement. With

respect to the 2026 property tax year and any subsequent property tax year, if any of the information, returns, certifications, or other reports set forth in this **Section 4.02** are not timely delivered, in writing, to the appropriate County officials, in addition to any other remedy available to the County, the FILOT and the Special Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for the applicable property tax year shall be forfeited unless such non-compliance is waived by the County in its sole and absolute discretion pursuant to **Section 12.13** of this Agreement.

Information, returns, certifications or other reports to be provided to the County Auditor pursuant to this **Section 4.02** shall be in writing and delivered either:

(i) by trackable mail or delivery service to the County Auditor, addressed as follows:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina

or

(ii) by e-mail to the County Auditor or Deputy County Auditor; provided, delivery by e-mail pursuant to this **subsection (ii)** shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the County Auditor's office.

Information, returns, certifications or other reports to be provided to the County Director of Economic Development pursuant to this **Section 4.02** shall be in writing and delivered either:

(A) by trackable mail or delivery service to the Economic Development Director, addressed as follows:

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina

or

(B) by e-mail to the Economic Development Director; provided, delivery by e-mail pursuant to this **subsection (B)** shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the Lancaster County Department of Economic Development.

Oral communication shall not qualify as "delivery" of the information, returns, certifications, or other reports required to be provided under this **Section 4.02**.

(f) The County acknowledges and understands that the Companies may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Companies' operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Companies and could have a significant detrimental impact on the Companies' employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use its best efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Companies, their agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any Person other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Companies and give the Companies the opportunity to contest the release.

Section 4.03 Modification of Project.

As long as no event of default exists hereunder, the Companies shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) Each Company may, at its own expense, add to the Project any real and personal property as the Company in its discretion deems useful or desirable. For avoidance of doubt, this shall include any additional buildings that the Companies construct on the Land. Further, nothing in this Agreement prohibits the Companies from leasing any buildings constructed as part of the Project, and no such leasing shall constitute a sale, conveyance or other transfer resulting in a Due on Sale Payment under Section 5.01(m).

(ii) In any instance where any Company, 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 such Company 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, as such may be permitted under the Simplified FILOT Act.

(iii) Each Company may, at any time in its discretion by written notice to the County, remove any real or personal property from the Negotiated FILOT (as defined in **Section 5.01**) set forth in this Agreement, and thereafter such property will be considered Non-Qualifying Property and will be subject to FILOT Payments as set forth in **Section 5.01(b)(i)** hereof.

ARTICLE V

PAYMENTS IN LIEU OF TAXES

Section 5.01. Payments in Lieu of *Ad Valorem* Taxes.

(a) In accordance with the Act, the parties agree that, during the Term of this Agreement, the Companies shall pay annually, with respect to the Project, a FILOT in the amount calculated as set forth in this **Section 5.01**, to be collected and enforced in accordance with Section 12-44-90 of the Act.

(b) The FILOT Payment due with respect to each property tax year shall equal:

(i) With respect to any portion of the Project consisting of undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property, as long as such property is located in the Multi-County Park, a payment equal to the *ad valorem* taxes that would otherwise be due on such undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property if it were taxable giving effect to all credits, exemptions, depreciation, rebates and abatement that would be available if such undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property were taxable; and

(ii) With respect to those portions of the Project consisting of Economic Development Property, for each of the twenty (20) consecutive years following the year in which such portion of the Project is placed in service, a payment calculated each year as set forth in paragraphs (c) and (d) of this **Section 5.01** (a "Negotiated FILOT").

(c) The Negotiated FILOT Payments shall be calculated with respect to each property tax year based on:

(i) the fair market value (determined in accordance with Section 12-44-50(A)(1)(c) of the Code) of the improvements to real property and Equipment included within the Project theretofore placed in service (less, for Equipment, depreciation allowable for property tax purposes as provided in Section 12-44-50(A)(1)(c) of the Code);

(ii) a fixed millage rate equal to 342.9 mills, **plus 50 mills for the City of Lancaster, South Carolina** for the Term, in accordance with the Intergovernmental Agreement dated as of January 8, 2008 between the County and the City of Lancaster, South Carolina; and

(iii) an assessment ratio of six percent (6%).

All calculations of the Negotiated FILOT Payments shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except, to the extent applicable, the exemption allowed pursuant to Section 3(g) of Article X of the Constitution of the State of South Carolina and the exemptions allowed pursuant to Sections 12-37-220(B)(32) and (34) of the Code.

To defray or reimburse the Cost of Special Source Improvements, Special Source Revenue Credits shall be applied with respect to Economic Development Property in amounts equal to twelve percent (12%) of the Negotiated FILOT Payments against each of the first ten (10) consecutive annual Negotiated FILOT Payments, *provided, however, that,* the Special Source Revenue Credits shall not apply to the 50 mills attributable to the City of Lancaster, South Carolina or to the Additional Fee, and *provided, further, that* Special Source Revenue Credits are subject to retroactive and prospective termination as set forth in **Section 5.01(j)** of this Agreement. Special Source Revenue Credits shall not, in the aggregate, exceed the aggregate Cost of Special Source Improvements funded from time to time in connection with the Project by the Companies. If the Companies have made a written election to include, as part of the Special Source Improvements, any personal property, and has provided notice to the County of such election, and the Companies subsequently remove or dispose of such personal property from the Project during the term of this Agreement and have claimed Special Source Revenue Credits against FILOT Payments based on such personal property, then the Companies are required to continue to make FILOT Payments on the removed personal property for the two years immediately following the year in which the Companies remove such personal property from the Project. The amount of the FILOT Payments due on the removed personal property is equal to the FILOT Payments due on the personal property for the year in which the Companies remove or dispose of the personal property. If the Companies replace such personal property with qualifying replacement property, then the removed personal property is deemed not to have been removed from the Project. Notwithstanding anything in this subsection to the contrary, the Companies shall be required to make the FILOT Payments required in this subsection only if and to the extent that the Act or the Multi-County Park Act so require at the time the personal property in question is removed or disposed of.

(d) The FILOT Payments are to be recalculated:

(i) to reduce such payments in the event any Company disposes of any part of the Project within the meaning of Section 12-44-50(B) of the Code and as provided in **Section 4.03** hereof, by the amount applicable to the Released Property;

(ii) to increase such payments, based on the methodology set forth in **Section 5.01(c)** hereof, in the event any Company adds property (other than Replacement Property) to the Project; or

(iii) to adjust such payments if any Company elects to convert any portion of the Project from the Negotiated FILOT to the FILOT required by **Section 5.01(b)(i)** above, as permitted by **Section 4.03(iii)** above.

(e) [Reserved]

(f) Upon any Company's placement in service of any Replacement Property for any portion of the Project removed under **Section 4.03** hereof and sold, scrapped, or disposed of by any Company, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(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 property subject to the FILOT, whether real or personal, which is disposed of in the same property tax year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Economic Development Property which it is replacing. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the FILOT Payment for the period of time remaining on the FILOT period for the property which it is replacing.

(ii) The new Replacement Property which qualifies for the Negotiated FILOT Payment shall be recorded using its income tax basis, and the Negotiated FILOT Payment shall be calculated using the millage rate and assessment ratio provided on the original property subject to FILOT Payment.

(g) In the event that the Act or the FILOT or any portion thereof, are declared, by a court of competent jurisdiction following allowable appeals, invalid or unenforceable, in whole or in part, for any reason, the Companies and the County express their intentions that such payments be reformed so as to afford the Companies the maximum benefit then permitted by law, including, without limitation, the benefits afforded under Section 12-44-50 of the Code and, specifically, that the Companies may, at the Companies' expense, exercise the rights granted by Section 12-44-160 of the Code. If the Project is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Companies and the County agree that the Companies shall pay an alternate fee-in-lieu of tax calculated in the manner set forth in **Section 5.01(b)(i)** hereof. In such event, the Companies shall be entitled, to the extent permitted by law: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Section 3(g) of Article X of the Constitution of the State of South Carolina, and any other exemptions or credits allowed by law; and (2) to enjoy all allowable depreciation. The Companies agree that if the FILOT Payments or this Agreement are reformed pursuant to this **Section 5.01(g)**, that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(h) This Agreement is automatically terminated in the event that the investment in the Project does not satisfy the Act Minimum Investment Requirement by the end of the initial Investment Period. If terminated pursuant to this **Section 5.01(h)**, the Negotiated FILOT Payments shall revert retroactively to payments equivalent to what the *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, would have been with respect to the property absent this Agreement. At the time of termination, the Companies shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the Companies had the Project been taxable, taking into account exemptions from property taxes and depreciation that would have been available to the Companies, and the total amount of Negotiated FILOT Payments actually made by the Companies. This additional amount is subject to interest as provided in Section 12-54-25. The Companies agree, if the Negotiated FILOT Payments revert to payments equivalent to what the *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, would be pursuant to this **Section**

5.01(h), that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(i) This Agreement is automatically terminated, and the Project shall thereafter be subject to *ad valorem* taxes, in the event that either (1) the investment in the Project satisfies the Act Minimum Investment Requirement by the end of the initial Investment Period, but following the initial Investment Period falls below the Act Minimum Investment Requirement, or (2) the investment in the Project fails to satisfy the Contract Minimum Investment Requirement by the end of the initial Investment Period. In the event the Jobs Commitment is not met by the end of the initial Investment Period, then all Negotiated FILOT Payments shall revert retroactively to *ad valorem* taxes, with interest, calculated as set forth in **Section 5.01(h)** above. In the event that the Jobs Commitment is satisfied by the end of the initial Investment Period but is not maintained following the initial Investment Period, this Agreement is automatically terminated, and the Project shall thereafter be subject to *ad valorem* taxes.

(j) In the event either (1) the Contract Minimum Investment Requirement is not satisfied at the end of the initial Investment Period or is not maintained for each year thereafter in which the Companies would otherwise be entitled to receive a Special Source Revenue Credit, or (2) the Jobs Commitment is not achieved during the initial Investment Period or maintained for each year in which the Company would otherwise be entitled to receive a Special Source Revenue Credit, the Special Source Revenue Credits applicable to each Negotiated FILOT Payment due with respect to the Project shall be terminated on a retroactive and prospective basis. To the extent that the Special Source Revenue Credit is terminated, there shall be due and payable from the Companies to the County an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid after taking into account any Special Source Revenue Credits that did apply to such Negotiated FILOT Payments, and the Negotiated FILOT Payments which would have been paid in the absence of any Special Source Revenue Credits, together with interest on such difference calculated in the manner as provided in Section 12-54-25 of the Code, or any successor Code provision.

(k) Unless otherwise provided by the Act, any amounts due to the County under this **Section 5.01** by virtue of the application of subsections **(h)**, **(i)** or **(j)** shall be paid within ninety (90) days, following written notice thereof from the County to the applicable Company. The Companies' obligations to make any such payments shall survive any termination of this Agreement.

(l) In partial consideration for locating the Project in the County, on the Effective Date of this Agreement, the County is executing and delivering a limited warranty deed (the "Conveyance") pursuant to which it is transferring to the Sponsor Affiliate approximately 16.62 acres of land within the Lancaster Business Park (the "Business Park Land"). The Business Park Land is valued at $450,000 based on that certain Appraisal Report dated March 22, 2023 by Tedford & Associates. In connection with the Business Park Land and subject to Section 12.14 below, the Companies agree:

(i) If by December 31, 2027, the Companies have not invested at least $5,000,000 (building and machinery, not including the value of the Business Park

Land) and employed at least ten (10) Full-Time Jobs at the Project, the Companies shall make a payment to the County on or before March 1, 2028 calculated as follows:

Payment = [(1 – (lesser of number of Full-Time Jobs created and 10 / 10)) + (1 – (lesser of amount invested in Project and $5,000,000 / $5,000,000))]/2 x $225,000

(ii) If by December 31, 2029, the Companies have not invested at least $14,335,000 (building and machinery, not including the value of the Business Park Land) and employed at least fifteen (15) Full-Time Jobs at the Project, the Companies shall make a payment to the County on or before March 1, 2030 calculated as follows:

Payment = [(1 – (lesser of number of Full-Time Jobs created and 15 / 15)) + (1 – (lesser of amount invested in Project and $14,335,000/ $14,335,000))] /2 x $225,000

By way of example:

If the Companies invest $2,500,000 and employ 9 Full-Time Jobs at the Project on December 31, 2027, a payment shall be due to the County on or before March 1, 2028 calculated as follows:

$67,500 = [.1 (being the percentage of required Full-Time Jobs not created) + .5 (being the percentage of required investment not made)] / 2 x $225,000

By way of further example:

If the Companies invest a total of $7,500,000 and employ 18 Full-Time Jobs at the Project on December 31, 2029, a payment shall be due to the County on or before March 1, 2030 calculated as follows:

$53,641 = [0 (being the percentage of required Full-Time Jobs not created) + .4768 (being the percentage of required investment not made)] / 2 x $225,000

The Companies' obligation to make any of the payments set forth in this **Section 5.01(l)** shall survive any termination of this Agreement.

(m) Upon any sale, conveyance or other transfer of the Business Park Land, on or prior to December 31, 2029, the Companies shall owe to the County the then-current fair market value of the Business Park Land (the "Due on Sale Payment") determined as set forth below. Notwithstanding the foregoing, such Due on Sale Payment shall not be required: (1) with respect to a sale, conveyance or other transfer of the Business Park Land in connection with a Financing Arrangement (as defined in **Section 9.01** below); or (2) upon a sale, conveyance or other transfer of the Business Park Land by the Sponsor Affiliate to an Affiliate provided (a) the Due on Sale Payment must be paid in the event of a subsequent sale, conveyance or other transfer of the Business Park Land by such Affiliate, or any of its Affiliates, to a non-Affiliate, and (b) the

Companies and such Affiliate must enter into a written agreement with the County or in which the County is a third-party beneficiary, whereby Affiliate agrees to be liable for the payment of the Due on Sale Payment to the County and the Companies agree to jointly and severally guaranty any Due on Sale Payment owed by such Affiliate.

(i) Valuation. The parties shall meet at a mutually agreeable time and place to present such evidence as each party desires in an effort to mutually in good faith attempt to arrive at the Due on Sale Payment for the Business Park Land. If the parties cannot so agree on the Due on Sale Payment within thirty (30) days of the transaction giving rise to such payment, then any party, on written notice to the other, shall cause the matter to be submitted to appraisal, as follows:

(1) Two Appraisers. Within thirty (30) days after giving written notice to the other party of its intention to have the matter submitted to appraisal, each party, at its own cost and by giving notice to the other party, shall appoint a qualified real estate appraiser who shall be a member of the Appraisal Institute and have at least ten years' full-time commercial appraisal experience in the commercial real estate industry within twenty-five (25) miles of the Business Park Land, to appraise and determine the Due on Sale Payment. The two (2) appraisers shall independently, and without consultation, prepare a written appraisal of the Due on Sale Payment within thirty (30) days. Each appraiser shall seal its respective appraisal after completion. After both appraisals are completed, the resulting estimates of the Due on Sale Payment shall be opened by the Companies and the County and compared. If the values of the appraisals differ by no more than ten percent (10%) of the value of the higher appraisal, then the Due on Sale Payment shall be the average of the two (2) appraisals.

(2) Three Appraisers. If the values of the appraisals differ by more than ten percent (10%) of the value of the higher appraisal, the two (2) appraisers shall designate in writing a third appraiser meeting the qualifications set out in Section 5.01(m)(i)(1) above. The third appraiser shall be a person who has not previously acted in any capacity for either party. The third appraiser shall make an appraisal of the Due on Sale Payment within ten (10) days after selection and without consultation with the first two (2) appraisers. The Due on Sale Payment shall be the value selected by the one of the two (2) appraisers that is closest, on a dollar basis, to the Due on Sale Payment selected by the third appraiser. This determination of the Due on Sale Payment shall be binding and conclusive.

(ii) No Improvements. Anything to the contrary contained herein notwithstanding, the valuation of the Business Park Land for purposes of the Due on Sale Payment shall be based on the Business Park Land as if vacant, undeveloped land only and shall not include the value of any buildings, any Equipment or any other machinery, apparatus, equipment, office facilities, furnishings, fixtures or other personal property, any Replacement Property, any water, sewer treatment and disposal, electrical, gas, telecommunications or other utility facilities, any roads, roadways, driveways, parking areas, sidewalks, walkways and related curbing, lighting, landscaping, or any other improvements to the Business Park Land whatsoever made subsequent to the Conveyance, and the Business Park Land shall be further valued as if any such improvements had never been made and the Business Park Land had remained vacant, undeveloped land at all times since the Conveyance.

(iii) Costs. Each party shall pay the fees and expenses of its own appraiser, and fifty percent (50%) of the fees and expenses of the third appraiser.

(iv) The Due on Sale Payment shall be due and payable to the County within thirty (30) days of the final determination of the amount due. The transaction giving rise to the Due on Sale Payment shall not be delayed by payment of the Due of Sale Payment.

(v) The Companies' obligation to pay the Due on Sale Payment shall survive any termination of this Agreement.

(n) Notwithstanding any other provision of this Agreement, the Companies acknowledge and agree that County's obligation to provide the FILOT incentive and the Special Source Revenue Credits ends, and this Agreement is terminated, if the Companies cease operations. For purposes of this **Section 5.01(n)**, "**cease operations**" means closure of the Companies' facility in the County for a period of 365 consecutive days. The Companies agree that if this Agreement is terminated pursuant to this **Section 5.01(n)**, that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(o) To the extent the County levies additional millage for the specific purpose of providing either fire or EMS services, or both, during the Term of this Agreement, the Companies shall pay an additional fee to the County (the "Additional Fee") calculated in the same manner set forth above in **Section 5.01(c)**, provided the component set forth in subsection **(ii)** of such calculation shall equal the additional millage so levied. The Additional Fee shall be paid annually at the same time, and subject to the same terms and penalties, as each FILOT Payment is due pursuant to this Agreement.

ARTICLE VI

PAYMENTS BY COMPANY

Section 6.01. Defaulted Payments. In the event the Companies should fail to make any of the payments required under this Agreement, the item or installment so in default shall

continue as an obligation of the Companies, notwithstanding any termination of this Agreement, until the amount in default shall have been fully paid. The Companies agree that the collection and enforcement of the defaulted payment shall be as provided in Section 12-44-90 of the Code.

ARTICLE VII

CASUALTY AND CONDEMNATION

Section 7.01. Adjustments in the Event of Damage and Destruction or Condemnation. In the event that the Project or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, any Company, in its sole discretion, may determine whether or not to repair or replace the same. The parties agree that if such Company decides not to repair or replace all or any portion of the Project pursuant to this **Section 7.01**, the FILOT required pursuant to **Section 5.01** hereof shall be abated in the same manner and in the same proportion as if *ad valorem* taxes, or FILOT Payments pursuant to the Multi-County Park Act, as the case may be, were payable with respect to the Project.

ARTICLE VIII

PARTICULAR COVENANTS AND AGREEMENTS

Section 8.01. Use of Project for Lawful Activities. During the Term of this Agreement, the Companies shall use the Project for the purposes identified in **Section 2.02(f)** of this Agreement and for any lawful purpose that is authorized pursuant to the Act.

Section 8.02. Assignment. The County agrees that, to the maximum extent allowable under the Act (or any amendments thereto), any of the Companies may assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights or obligations under this Agreement, and any lease agreement, lease purchase agreement, or fee agreement, as the case may be, or any other agreement related hereto or thereto, or transfer any and all assets of such Company, to one or more Related Entities (as defined in **Section 9.01** below) without adversely affecting the benefits of such Company or its assignees pursuant to any such agreement or the Act. Each Company shall provide the County and the Department of Revenue with notice of any such assignment, transfer, or investment in accordance with the Act, and the County agrees, upon the request of such Company, to take all further action necessary to implement such assignment, transfer, or investment in accordance with the provisions of the Act. To the extent that the Act may require the consent, approval or ratification of or by the County for the assignment of this Agreement, in whole or in part, the County agrees to not unreasonably withhold, condition or delay its consent, approval or ratification.

Section 8.03. Indemnification. Each Company releases the County, including the members of the governing body of the County, and the employees, officers, attorneys and agents of the County (herein collectively referred to as the "Indemnified Parties") from, agrees that the Indemnified Parties shall not be liable for, and agrees to hold the Indemnified Parties harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to this Agreement, the Project or the use thereof,

except for that occasioned by grossly negligent or intentional acts of an Indemnified Party. Each Company further agrees to indemnify and save harmless Indemnified Parties against and from any and all costs, liabilities, expenses, and claims arising from any breach or default on the part of the Companies in the performance of any covenant or agreement on the part of the Companies to be performed pursuant to the terms of this Agreement or arising from any act or negligence of, or negligent failure to act where there is a duty to do so by any Company, or any of its agents, attorneys, contractors, servants, employees, or licensees, and from and against all cost, liability, and expenses incurred in or in connection with any such claim or action or proceeding brought thereon.

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

Notwithstanding the fact that it is the intention of the Indemnified Parties hereto that none of them shall incur any pecuniary liability by reason of the terms of this Agreement, any related agreements or the undertakings required of the County hereunder by reason of the performance of any act requested of the County by any Company, including all claims, liabilities, or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if any Indemnified Party shall incur any such pecuniary liability, then in such event such Company shall indemnify and hold them harmless against all claims by or on behalf of any Person, firm, or corporation or other legal entity arising out of the same and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, *provided, however,* that nothing herein shall absolve the Indemnified Parties from, or entitle the Indemnified Parties to indemnification from, any obligation such Indemnified Party has specifically agreed to undertake (including, without limitation, the obligation to place and maintain the Land within a multi-county park). If any action, suit, or proceeding is brought against any Indemnified Party to which such Indemnified Party is entitled to indemnification, such Indemnified Party shall promptly notify such Company, and such Company shall have the sole right and duty to assume, and shall assume, the defense thereof, at its expense, with full power to litigate, compromise, or settle the same in its sole discretion; *provided*, that such Company shall obtain the prior written consent of the County to settle any such claim unless such claim is for monetary damages for which such Company has the ability to, and does, pay. Notwithstanding the foregoing, if the Indemnified Party is the County, in the event the County reasonably believes there are defenses available to it that are not being pursued or that the counsel engaged by such Company reasonably determines that a conflict of interest exists between the County and such Company, the County may, in its sole discretion, hire independent counsel to pursue its own defense, and such Company shall be liable for the reasonable cost of such counsel.

The indemnity specified in this **Section 8.03** shall be in addition to any heretofore extended by the Companies to any Indemnified Party and shall survive the termination of this Agreement with respect to liability arising out of any event or act occurring prior to such termination.

Section 8.04. Sponsors and Sponsor Affiliates. Sponsor may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Simplified FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Companies and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of Sponsor, Sponsor Affiliate or other Sponsors or Sponsor Affiliates, or other Persons described in **Section 8.02** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30(19) or (20) and Section 12-44-130 of the Simplified FILOT Act must be approved by the County in writing. To the extent that the aggregate investment in the Project by the end of the Investment Period by all Sponsors and Sponsor Affiliates exceeds $5,000,000, to the extent permitted by Section 12-44-30(19) of the Simplified FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the FILOT pursuant to **Section 5.01** of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Act Minimum Investment Requirement by the end of the Investment Period. The Companies shall provide the County and the Department of Revenue with written notice of any other Sponsor or Sponsor Affiliate designated pursuant to this **Section 8.04** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service property to be used in connection with the Project and subject to the Negotiated FILOT Payment, all in accordance with Section 12-44-130(B) of the Simplified FILOT Act.

ARTICLE IX

FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS

Section 9.01. Conveyance of Liens and Interests; Assignment. Any Company may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to the Project to any Person; or (b) enter into any lending, financing, security, or similar arrangement or succession of such arrangements with any financing entity with respect to the Agreement or the Project, including without limitation any sale-leaseback, or other financing lease arrangement (collectively, a "Financing Arrangement"); *provided, that*, in connection with any of the foregoing transfers: (*i*) except in connection with any transfer to an Affiliate of any Company (collectively, the "Related Entities"), or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), such Company shall first obtain the prior written consent or subsequent ratification of the County; (*ii*) except where 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 transferee or financing entity assumes in writing the obligations of such Company hereunder, or where the County consents in writing, no such transfer shall affect or reduce any of the obligations of such Company hereunder, but all obligations of such Company hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety; (*iii*) such Company, transferee, or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (*iv*) such Company and the transferee shall comply with all other requirements of the Transfer Provisions.

The Companies acknowledge that such a transfer of an interest under this Agreement or in the Project may cause the Project to become ineligible for a Negotiated FILOT Payment or result in penalties under the Act absent compliance by such Company with the Transfer Provisions.

Section 9.02. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge the application of the provisions of Section 12-44-90 of the Act, and that the County's right to receive FILOT Payments hereunder shall be the same as its rights conferred under Title 12, Chapter 49 and 54, among others, of the Code relating to the collection and enforcement of *ad valorem* property taxes. The County's rights under this Agreement, except for its rights to receive FILOT Revenues, shall be subordinate to the rights of any secured party or parties under any financing arrangements undertaken by any Company with respect to the Project pursuant to **Section 9.01** hereof, such subordination to be effective without any additional action on the part of the County; *provided, however,* that the County agrees, at such Company's expense, to execute such agreements, documents, and instruments as may be reasonably required by such secured party or parties to effectuate or document such subordination.

ARTICLE X

TERM; TERMINATION

Section 10.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Companies execute this Agreement, and ending at midnight on the later of (i) the last day of the property tax year in which the last Negotiated FILOT Payment is due hereunder, or (ii) the day that all Special Source Revenue Credits due from the County have been fully provided by the County. With respect to the Negotiated FILOT Payments arrangement, the Project has a term of twenty (20) years, as calculated pursuant to the respective dates when the relevant portions of the Project are placed in service. The County's rights to receive any payments due under this Agreement, including, but not limited to indemnification and payment of Administrative Expenses, shall survive the expiration or termination of this Agreement.

Section 10.02. Termination. The County and the Companies may agree to terminate this Agreement at any time, or the Sponsor may, at its option, terminate this Agreement at any time, as to all or a portion of the Project, upon providing the County thirty (30) days' notice of such termination, in which event all or such portion of the Project, as the case may be, shall be subject to *ad valorem* taxes from the date of termination. In the event that this Agreement is terminated by the operation of this **Section 10.02** at any time during the initial Investment Period prior to the Company meeting the Act Minimum Investment Requirement or the Jobs Commitment, amounts due to the County as a result thereof, if any, shall be calculated as provided in **Section 5.01(h), (i)** and **(j)** hereof, as applicable. The County's rights to receive payments due under this Agreement, including for *ad valorem* taxes, and its rights to enforce the terms of this Agreement shall survive termination of this Agreement.

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default by Companies.

Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default, but solely with respect to the defaulting company (the "Defaulting Company"):

(a) if default shall be made by the Defaulting Company in the due and punctual payment of any FILOT Payments, Additional Fees, indemnification payments, Administrative Expenses, or any other payment obligations under this Agreement, which default shall not have been cured within thirty (30) days following receipt of written notice thereof from the County; or

(b) if default shall be made by the Defaulting Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (1), and such default shall continue for ninety (90) days after the County shall have given the Defaulting Company written notice of such default, *provided, that* the Defaulting Company shall have such longer period of time as necessary to cure such default if the Defaulting Company proceeds promptly to cure such default and thereafter to prosecute the curing of such default with due diligence; and *provided, further,* that no Event of Default shall exist under this paragraph (2) during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Defaulting Company has contested the occurrence of such default.

Section 11.02. Remedies on Event of Default by a Company. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies, any of which may be exercised at any time during the periods permitted under the following clauses:

(a) terminate this Agreement with respect to the Defaulting Company by delivery of written notice to the Defaulting Company not less than thirty (30) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Defaulting Company pursuant to **Section 4.02(c)** above; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition, or agreement of the Defaulting Company under this Agreement.

Section 11.03. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Companies may take whatever action at law or in equity as may appear necessary or desirable to enforce their rights under this Agreement, including without limitation, a suit for mandamus or specific performance. *Provided, however,* that 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.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Companies provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced; and the exercise by the County or by the Companies of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Companies of any or all such other rights, powers or remedies.

Section 12.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns as permitted hereunder.

Section 12.03. Intentionally Omitted.

Section 12.04. Administrative Expenses.

(a) The Companies agree to reimburse the County from time to time for its reasonable Administrative Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administrative Expenses.

(b) The Companies agree to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual FILOT Payments and any Special Source Revenue Credits, *provided, however*, the maximum annual reimbursement pursuant to this subsection is capped at One Thousand and No/100 dollars ($1,000.00).

Section 12.05. Rules of Construction. The County and the Companies acknowledge and agree that each has been represented by legal counsel of its choice throughout the negotiation and drafting of this Agreement, that each has participated in the drafting hereof and that this Agreement will not be construed in favor of or against either party solely on the basis of such party's drafting or participation in the drafting of any portion of this Agreement.

Section 12.06. Notices; Demands; Requests. Unless otherwise provided in this Agreement, all notices, demands and requests to be given or made hereunder to or by the County or the Companies shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid or reputable courier service, addressed as follows or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

County of Lancaster, South Carolina
ATTN: County Administrator
101 N. Main St. (29720)
P.O. Box 1809 (29721-1809)
Lancaster, South Carolina

With a copy to (which shall not constitute notice):

Economic Development Director, Lancaster County
P.O. Box 1809
Lancaster, South Carolina 29721

(b) As to the Sponsor / Sponsor Affiliates:

eFACTOR3 LLC
ATTN: Hartmut Bendfeldt
15050 Choate Circle, Suite E
Charlotte, NC 28273

Bendfeldt Holdings LLC
ATTN: Hartmut Bendfeldt
15008 Laurel Glen Way
Indian Land, SC 29707

With a copy, in each case, to (which shall not constitute notice):

Womble Bond Dickinson (US) LLP
ATTN: Stephanie Yarbrough
5 Exchange Street
Charleston, SC 29401

Section 12.07. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 12.08. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties with each other with respect to the subject matter hereof, and no party has made nor shall be bound by any agreement or any representation to any other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 12.09. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 12.10. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or sections or paragraphs of this Agreement are references to the designated articles or sections or paragraphs of this Agreement.

Section 12.11. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

Section 12.12. Amendments. Subject to the limitations set forth in the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by all parties.

Section 12.13. Waiver. Any party may waive compliance by any other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 12.14. Force Majeure. The Companies shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, labor shortages, fire, floods, pandemics, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Company's reasonable control.

IN WITNESS THEREOF, the County, acting by and through the County Council, has caused this Fee in Lieu of Tax and Incentive Agreement to be executed in its name and behalf by the Council Chair and Council Secretary and to be attested by the Clerk to Council; and each of the Companies have caused this Fee in Lieu of Tax and Incentive Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

LANCASTER COUNTY, SOUTH CAROLINA

_____

Steve Harper, Chair, County Council

_____

Billy Mosteller, Secretary, County Council

ATTEST:

_____

Sherrie Simpson, Clerk to Council

COMPANY SIGNATURES FOLLOW ON NEXT PAGE.

EFACTOR3 LLC

_____

Name

_____

Title

BENDFELDT HOLDINGS LLC

_____

Name

_____

Title

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

EXHIBIT A

DESCRIPTION OF LAND

An approximate 16.62 acre parcel located on Quality Drive in the Lancaster Business Park, currently identified as Lancaster County Tax Map No. 0061-00-104.00 as of the Effective Date.

EXHIBIT B

ANNUAL INVESTMENT AND JOBS CERTIFICATION

To be Filed Annually, by May 31st, with:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina 29721

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina 29721

EFACTOR3 LLC (the "Company"), does hereby certify in connection with the Fee In Lieu of Tax and Incentive Agreement dated as of _____, 20__ (the "Agreement") among Lancaster County, South Carolina, the Company and BENDFELDT HOLDINGS LLC (the "Project Affiliate") as follows:

(1) As of December 31, 20__, the total amount of Special Source Revenue Credits received by the Company and any Sponsor Affiliates is as follows:

Special Source Revenue Credits received by the Company $ _____

\+

Special Source Revenue Credits received by Project Affiliates $ _____

=

Total Special Source Revenue Credits received $ _____

(2) As of December 31, 20__, the total amount of investment by the Company and any Sponsor Affiliates in Project Costs of Special Source Improvements is not less than $_____.

(3) As of December 31, 20__, the capital investment in the Project made and maintained by the Company and any Sponsor Affiliates is not less than $_____.

(4) As of December 31, 20___, the total number of Full-Time Jobs created and maintained by the Company and any Sponsor Affiliates is _____.

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

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

EFACTOR3 LLC

By:_____
Name:_____
Its:_____

EXHIBIT C

SPECIFIED ECONOMIC DEVELOPMENT PROPERTY

Category	Book Cost
Automobiles	$189,959.85
Computers	$84,006.22
Furniture & Fixtures	$52,289.21
Machinery & Equipment	$3,650,066.91
Software	$6,312.63
Total	$3,982,634.82

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

by and among

LANCASTER COUNTY, SOUTH CAROLINA,

~~PROJECT E3~~
EFACTOR3 LLC

and

~~PROJECT E3 AFFILIATE~~
BENDFELDT HOLDINGS LLC

Dated as of _____ __, 2023

NOTICE: THIS AGREEMENT INCLUDES REPORTING REQUIREMENTS TO BE MADE BY ~~[PROJECT E3]~~ EFACTOR3 LLC AND BENDFELDT HOLDINGS LLC INCLUDING, BUT NOT LIMITED TO, THE REQUIREMENTS SET FORTH IN SECTION 4.02 HEREIN.

SUMMARY OF CERTAIN REPORTING REQUIREMENTS

- Each year during the Term, each Company shall deliver, in the manner set forth in **Section 4.02(e)**, to the County Auditor and the County Director of Economic Development a copy of any property tax form or return it files with the South Carolina Department of Revenue with respect to the Project within thirty (30) days of delivery thereof to the South Carolina Department of Revenue. The County and the Companies expect such tax forms or returns to include, but not be limited to:

- the South Carolina Department of Revenue Form PT-443 which, under current laws and regulations must be filed within thirty (30) days of the execution of this Agreement with the South Carolina Department of Revenue, the county auditors of the County and Multi-County Park partner county, and the county assessors of the County and the Multi-County Park partner county; and

- (ii) the South Carolina Department of Revenue Form PT-300 and any applicable schedules thereto (or such successor forms and schedules as may be promulgated by the South Carolina Department of Revenue from time to time), which such form, under current laws and regulations, and subject to certain exceptions, must be filed with the South Carolina Department of Revenue by April 30th of each year (such date being the last day of the fourth month following the Company's closing date for income tax purposes).

- During the Term, the Sponsor shall deliver to the County Auditor and the County Director of Economic Development on or before each May 31 following the end of a property tax year, beginning with May 31, ~~20~~—2024, the annual investment and jobs information with respect to the Companies contained in **Exhibit B** attached hereto.

- Information, returns, certifications or other reports to be provided to the County Auditor shall be in writing and delivered either:

(i) by trackable mail or delivery service to the County Auditor, addressed as follows:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina

or

(ii) by e-mail to the County Auditor or Deputy County Auditor; provided, delivery by e-mail shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the County Auditor's office.

- Information, returns, certifications or other reports to be provided to the County Director of Economic Development shall be in writing and delivered either:

(A) by trackable mail or delivery service to the Economic Development Director, addressed as follows:

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina

or

(B) by e-mail to the Economic Development Director; provided, delivery by e-mail shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the Lancaster County Department of Economic Development.

Oral communication shall not qualify as "delivery" of the information, returns, certifications, or other reports required to be provided under **Section 4.02**.

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

This FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this "Agreement") is dated as of _____ __, 2023 (the "Effective Date"), by and among LANCASTER COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), ~~PROJECT E3, a [_____]~~ EFACTOR3 LLC, a limited liability company organized and existing under the laws of the State of ~~[_____]~~ North Carolina, (the "Sponsor") and ~~PROJECT E3 AFFILIATE, a [_____]~~ BENDFELDT HOLDINGS LLC, a limited liability company organized and existing under the laws of the State of ~~[_____]~~ South Carolina (the "Sponsor Affiliate" and, together with Sponsor, the "Companies").

WITNESSETH:

WHEREAS, the County, acting by and through its County Council, is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina 1976, as amended (the "Code") and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution (the "Multi-County Park Act"): (*i*) to enter into agreements with certain investors to construct, operate, maintain, and improve certain industrial and commercial properties through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the workforce, agricultural products, and natural resources of the State; (*ii*) to covenant with such investors to accept certain payments in lieu of *ad valorem* taxes with respect to the project (a "FILOT"); and (*iii*) to maintain, create or expand, in conjunction with one or more other counties, a multi-county industrial park; and

WHEREAS, the Companies are considering the acquisition, construction and installation of a project known as "Project E3" upon property located in the County (the "Project"); and

WHEREAS, the Companies anticipate that the Project will result in the creation of at least fifteen (15) new, full-time jobs and an investment of at least $14,335,000 in the County; and

WHEREAS, the County Council approved on September 11, 2023, Resolution No. 1244-R2023 (the "Inducement Resolution") to identify, reflect and induce the Project under the Act and to state the commitment of the County to, among other things, enter into this Agreement; and

WHEREAS, as a result of the Companies locating the Project in the County, the Companies requested that the County complete the FILOT arrangement referred to in the Inducement Resolution by entering into this Agreement with the Companies pursuant to the Act, and the Companies elect to enter into such FILOT arrangement with the County in an effort to implement the terms of the Project and allow the Companies to make FILOT payments pursuant to the Act; and

WHEREAS, for the Project, the parties have determined that Sponsor is a "Project Sponsor", Sponsor Affiliate is a "Sponsor Affiliate" and that the Project constitutes "Economic Development Property" within the meaning of the Act; and

WHEREAS, for the purposes set forth above, the County has determined that it is in the best interests of the County to enter into this Agreement with the Companies, subject to the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, and the sum of $1.00 in hand, duly paid by the Companies to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Companies agree as follows:

ARTICLE I

DEFINITIONS AND RECAPITULATION

Section 1.01. Statutorily Required Recapitulation.

(a) Pursuant to Section 12-44-55(B) of the Act, the County and the Companies agree to waive the recapitulation requirements of Section 12-44-55 of the Act. Subsection (b) of this section is inserted for convenience only and does not constitute a part of this Agreement or a summary compliant with Section 12-44-55 of the Act.

(b) Summary of Agreement.

1. Legal name of each initial party to this Agreement: ~~Project E3~~eFACTOR3 LLC, ~~Project E3 Affiliate~~ Bendfeldt Holdings LLC and Lancaster County, South Carolina.

2. County, street address, parcel number or other location identifier of the Project and property to be subject to this Agreement:

Lancaster County, South Carolina
~~[~~

Quality Drive, Lancaster, SC 29720
Tax Map ID 0061-00-140.00 (as of the Effective Date)

3. Minimum investment agreed upon: Contract Minimum Investment Requirement.

4. Length and term of this Agreement: twenty (20) years for each annual increment of investment in the Project during the Investment Period.

5. Assessment ratio applicable for each year of this Agreement: 6%, except as otherwise provided in the Agreement.

6. Millage rate applicable for each year of this Agreement: 342.9 mills **plus 50 mills for the City of Lancaster, South Carolina**, except as otherwise provided in the Agreement.

7. Statements

(a) The Project is to be located in a multi-county park;

(b) Disposal of property subject to payments-in-lieu-of-taxes is allowed;

(c) Special Source Revenue Credits shall be applied with respect to the Economic Development Property in amounts equal to twelve percent (12%) of the Negotiated FILOT Payments against each of the first ten (10) annual Negotiated FILOT Payments, *provided, however, that,* the Special Source Revenue Credits shall not apply to the 50 mills attributable to the City of Lancaster, South Carolina or the Additional Fee, and *provided, further, that* Special Source Revenue Credits are subject to retroactive and prospective termination as set forth in **Section 5.01(j)** of this Agreement;

(d) Payment will not be modified using a net present value calculation; and

(e) Replacement Property provisions will apply.

Section 1.02. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings, unless the context or use indicates another or different meaning or intent.

"*Act*" or "*Simplified FILOT Act*" shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

"*Act Minimum Investment Requirement*" shall mean investment in the Project of not less than $2,500,000 (without regard to depreciation or other diminution in value) during the initial Investment Period (prior to any extension), as required by Section 12-44-30(14) of the Act, which investment amount shall be calculated in accordance with Section 12-44-130 of the Act in determining whether the Companies qualify for the FILOT.

"*Additional Fee*" shall mean the payments, if any, to be made by the Companies as set forth in Section 5.01(o) of this Agreement.

"*Administrative Expense*" shall mean the reasonable and necessary out-of-pocket expenses, including attorneys' fees, incurred by the County with respect to: (*i*) the preparation, review, approval and execution of this Agreement, (*ii*) the preparation, review, approval and execution of other documents related to this Agreement and any multi-county park documents; and (*iii*) the fulfillment of its obligations under this Agreement and any multi-county park documents.

"*Affiliate*" shall mean any Person directly or indirectly controlling, controlled by, or under common control with such other Person. For purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Person, whether through the ownership of voting securities, by contract, or otherwise.

"*Agreement*" shall mean this Fee in Lieu of Tax and Incentive Agreement by and among the County and the Companies, as originally executed and from time to time supplemented or amended as permitted herein, and dated as of _____ __~~–~~, 2023.

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

"*Company*" shall mean each of the Sponsor and Sponsor Affiliate.

"*Companies*" shall mean the Sponsor and Sponsor Affiliate, together with any subsequently joined Sponsor Affiliate(s). Any provision in this Agreement applicable to the "Company" shall be construed to also apply to the "Companies" to the extent one or more Sponsor Affiliate(s) are designated pursuant to **Section 8.04** of this Agreement.

"*Contract Minimum Investment Requirement*" shall mean investment by the Companies in the Project of not less than $14,335,000 (without regard to depreciation or other diminution in value) during the initial Investment Period (prior to any extension).

"Cost of Special Source Improvements" shall mean the costs of designing, acquiring, constructing, improving, equipping or expanding the Special Source Improvements.

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

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

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

"*Economic Development Property*" shall mean each item of real and tangible personal property comprising the Project, except Non-Qualifying Property, within the meaning of that term as defined and used in Sections 12-44-30(6) and 12-44-40(C) of the Code and in this Agreement. For the avoidance of doubt, the term "Economic Development Property" shall include that property described on Exhibit C.

"*Equipment*" shall mean all machinery, equipment, furnishings, and other personal property acquired by Sponsor or Sponsor Affiliate and placed in service as part of the Project during the Investment Period in accordance with this Agreement.

"*Event of Default*" shall mean an Event of Default as defined in **Section 11.01** hereof.

"*Existing Property*" shall mean property proscribed from becoming Economic Development Property pursuant to Section 12-44-110 of the Code, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to the execution and delivery of this Agreement 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 a Company during the Investment Period which has not been placed in service in this State prior to the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; (c) modifications which constitute an expansion of Existing Property; or (d) that property described on Exhibit C.

"*FILOT*" shall mean the fee-in-lieu of taxes, which Sponsor or Sponsor Affiliate are obligated to pay to the County pursuant to **Section 5.01** hereof.

"*FILOT Payments*" shall mean the payments to be made by Sponsor or Sponsor Affiliate pursuant to **Section 5.01** hereof.

"*FILOT Revenues*" shall mean the revenues received by the County from the payment of the FILOT.

"*Full-Time Job"* shall mean a full-time job (i.e., at least thirty (30) hours per week), with health care benefits available. Full-Time Jobs does not include those jobs staffed using a temporary employment agency or staffing agency. Full-time Jobs shall only include those employees who either: (i) are physically and actually located at the Project during working hours, or (ii) reside in the County if working remotely during working hours. Employees relocated from outside of the County may be included as Full-Time Jobs.

"*Investment Period*" shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is six (6) years from the end of the property tax year in which the initial Economic Development Property comprising all, or a portion of, the Project is placed in service, unless extended by agreement of the County and the Companies pursuant to Section 12-44-30(13) of the Code; provided, however, that for purposes of determining compliance with the Act Minimum Investment Requirement, "Investment Period" shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is five (5) years from the end of the property tax year in which the initial Economic Development property comprising all, or a portion of, the Project is placed in service.

"*Jobs Commitment*" shall mean the commitment of the Companies to create and retain Full-Time Jobs with respect to the Project as set forth in **Section 4.01(b)** of this Agreement.

"*Land*" shall mean the real estate upon which the Project is to be located, more specifically identified as Parcel Identification No. ~~_____~~0061-00-104.00 and described on **Exhibit A** attached hereto. Additional real estate may be included by amendment as provided in the **Section 12.12** of this Agreement.

"*Multi-County Park*" means the multi-county park established pursuant to the Amended and Restated Master Multi-County Park Agreement, Amended and Restated as of November 9, 2015, between the County and Chesterfield County, South Carolina, as from time to time amended and updated. Multi-County Park includes any subsequent park or any subsequent park agreement that includes the Land, and as authorized by the Multi-County Park Act.

"*Multi-County Park Act*" shall mean Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution, as amended through the date hereof.

"*Negotiated FILOT Payment*" shall mean the FILOT due pursuant to **Section 5.01(b)** hereof with respect to that portion of the Project consisting of Economic Development Property.

"*Non-Qualifying Property*" shall mean that portion of the Project consisting of: (*i*) property as to which Sponsor or Sponsor Affiliate incurred expenditures prior to the Investment Period or, except as to Replacement Property, after the end of the Investment Period (but for the sake of clarification excluding from the scope of this clause (i) that property described on Exhibit C); (*ii*) Existing Property; and (*iii*) any Released Property or other property which fails or ceases to qualify for Negotiated FILOT Payments, including without limitation property as to which Sponsor or Sponsor Affiliate has terminated the Negotiated FILOT pursuant to **Section 4.03(iii)** hereof.

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

"*Project*" shall mean, collectively herein, the Project, and shall include the buildings and other improvements on the Land to the extent placed thereon by or on behalf of Sponsor or Sponsor Affiliate, including water, sewer treatment and disposal facilities, and other machinery, apparatus, equipment, office facilities, and furnishings which are necessary, suitable, or useful, including the Equipment, and any Replacement Property, to the extent, and with the exception of the Replacement Property, placed in service during the Investment Period.

"*Released Property*" shall mean any portion of the Project removed, scrapped, traded in, sold, or otherwise disposed of pursuant to **Section 4.03** hereof, any portion of the Project stolen, damaged, destroyed, or taken by condemnation or eminent domain proceedings as described in **Article VII** hereof, and any infrastructure which any Company dedicates to the public use (within the meaning of that phrase as used in Section 12-6-3420(C) of the Code).

"*Replacement Property*" shall mean all property placed in service in or on the Land in substitution of, or as replacement for, any portion of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to **Section 5.01(f)** hereof and Section 12-44-60 of the Code.

"Special Source Improvements" shall mean (i) infrastructure serving the Project, or (ii) improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of the Project.

"Special Source Revenue Credits" shall mean the Special Source Revenue Credits described in **Section 5.01(c)** hereof.

"*Sponsor Affiliate*" shall mean ~~Project E3 Affiliate, a [_____]~~Bendfeldt Holdings LLC, a South Carolina limited liability company, its successors and assigns, and any Person who agrees to be bound by the terms and provisions of this Agreement and is approved by the County in writing pursuant to the provisions of **Section 8.04** of this Agreement.

"*State*" shall mean the State of South Carolina.

"*Term*" shall mean the term of this Agreement, as set forth in **Section 10.01** hereof.

"*Transfer Provisions*" shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

Section 1.03. References to Agreement. The words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County represents and warrants that: (*a*) it is a body politic and corporate and a political subdivision of the State; (*b*) it is authorized by the Act to enter into this Agreement; (*c*) it has approved this Agreement in accordance with the procedural requirements of the Act and any other applicable state law; and (*d*) it has authorized its officials to execute and deliver this Agreement.

Section 2.02. Representations and Warranties by Sponsor. The Sponsor makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Sponsor is a ~~[_____]~~limited liability company, validly existing and in good standing under the laws of ~~[_____]~~ North Carolina and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT and the Special Source Revenue Credits have been instrumental in inducing Sponsor to locate the Project within Lancaster County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor are pending or threatened against or affecting Sponsor in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(d) The income tax year of Sponsor for federal and state income tax purposes ends ~~[~~December 31~~]~~.

(e) No event has occurred and no condition currently exists with respect to Sponsor, which would constitute a default hereunder or an "Event of Default" as defined herein.

(f) Sponsor intends to operate the Project for the purpose of a distribution facility. The Project constitutes a "project" and "economic development property" as provided under the Act.

Section 2.03. Representations and Warranties by Sponsor Affiliate. The Sponsor Affiliate makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Sponsor Affiliate is a ~~[_____]~~limited liability company, validly existing and in good standing under the laws of ~~[_____]~~ South Carolina and authorized to do business

in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT and Special Source Revenue Credits have been instrumental in inducing Sponsor Affiliate to locate its portion of the Project within the County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor Affiliate are pending or threatened against or affecting Sponsor Affiliate in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(d) The income tax year of Sponsor Affiliate, and accordingly the Property Tax Year with respect to Sponsor Affiliate, for federal income tax purposes is a 52/53-week fiscal year ending ~~[~~December 31~~]~~.

(e) To Sponsor Affiliate's knowledge, no event has occurred and no condition currently exists with respect to Sponsor Affiliate, which would constitute a default or an Event of Default as defined herein.

ARTICLE III

UNDERTAKINGS OF THE COUNTY

Section 3.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept FILOT Payments made by the Companies in accordance with **Section 5.01** hereof in lieu of *ad valorem* taxes with respect to the Project until this Agreement expires or is sooner terminated.

Section 3.02. No Warranties by County. The Companies acknowledge that the County has made no warranties or representations, either express or implied, as to the condition or state of the Project or as to the design or capabilities of the Project or that it will be suitable for the Companies' purposes or needs. No representation of the County is hereby made with regard to compliance by the Project or any Person with laws regulating: (*i*) the construction or acquisition of the Project; (*ii*) environmental matters pertaining to the Project; (*iii*) the offer or sale of any securities; or (*iv*) the marketability of title to any property.

Section 3.03. Invalidity. The parties acknowledge that the intent of this Agreement is to afford the Companies the benefits of the Negotiated FILOT Payments and the Special Source Revenue Credits in consideration of the Companies' decision to locate the Project within the County and that this Agreement has been entered into in reliance upon the enactment of the Simplified FILOT Act. In the event that, for any reason, the Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act, in

whole or in part, the Companies and the County express their intentions that such payments be reformed so as to afford the Companies benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Companies and the County agree that there shall be due hereunder, with respect to the portion of the Economic Development Property affected by such circumstances, *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be, and that, to the extent permitted by law, the Companies shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law, to the extent the Companies are eligible therefor; (2) to enjoy all allowable depreciation; and (3) to receive other tax credits which would be due if such Company were obligated to pay *ad valorem* taxes, or make FILOT payments pursuant to the Multi-County Park Act, as the case may be, hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are required by law to be subject to retroactive adjustment, then there shall be due and payable by the Companies to the County with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which the Companies would have paid as *ad valorem* taxes, or as FILOT payments pursuant to the Multi-County Park Act, as the case may be, including all exemptions, credits, and depreciation for which the Companies would have otherwise been eligible if it were obligated to pay *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, together with, but only if required by law, interest on such deficiency as provided in Section 12-54-25(D) of the Code. The Companies agree that if this Agreement is reformed as provided in this Section or if retroactive adjustments are made, then under no circumstances shall the County be required to refund or pay any monies to the Companies.

In addition to and notwithstanding the foregoing paragraph, the County shall not be obligated to perform any of its obligations or promises under this **Section 3.03** unless the Sponsor or Sponsor Affiliate, as applicable, has otherwise complied with or provided satisfactory evidence to the County that they intend to comply with its obligations and responsibilities under this Agreement.

Section 3.04. Multi-County Park Status. The County agrees to take action to place the Land in the Multi-County Park, if not already in the Multi-County Park, until the date this Agreement is terminated. If it becomes necessary to move the Land from one multi-county park to another prior to the termination of this Agreement, the County agrees to use its best efforts to place the Land in a multi-county park established pursuant to the Multi-County Park Act and to maintain the multi-county park designation until the date this Agreement is terminated. The parties acknowledge and agree that the County's agreement to place and maintain the Land in a multi-county park may be subject to the exercise of discretion by a governmental entity other than the County and the exercise of that discretion is not controlled by the County.

ARTICLE IV

PROJECT COMMENCEMENT; JOB CREATION AND RETENTION; REPORTING; MAINTENANCE AND MODIFICATION OF PROJECT

Section 4.01. Project Commencement; Job Creation and Retention by Companies.

(a) The Companies commit to initiate construction of the Project on the Business Park Land (as defined in Section 5.01(l) below) within twelve (12) months of the Effective Date of this Agreement (the "Required Commencement Date"). For purposes of this Agreement, "initiate construction" means pouring the concrete footings for the Project or other foundation support structures as shown on the plans approved by the County Development Services Department. Subject to Section 12.14 below or unreasonable delays caused by the County (or any applicable municipality situated within the County) not timely approving any plans, issuing any required permits or taking any other required action necessary to permit the Companies from commencing construction, if the Companies fail to initiate construction by the Required Commencement Date, the Companies shall have the option to either (i) make a payment of Fifty Thousand and No/100 dollars ($50,000.00) to the County within thirty (30) days after the Required Commencement Date, provided if the Companies proceed under the option set forth in this sub-item (i), this Agreement shall continue in full force and effect, or (ii) reconvey the Business Park Land to the County by limited warranty deed in consideration for $100.00 within thirty (30) days after the Required Commencement Date, provided no material damage or waste with respect to the Business Park Land has occurred and not repaired or remedied prior to the reconveyance, and no liens or encumbrances have been placed on the Business Park Land, since the County's initial conveyance of the Business Park Land to the Sponsor Affiliate as described in Section 5.01(l) below (or if such liens or encumbrances have been placed, the same shall be removed or satisfied of record prior to the reconveyance), provided if the Companies proceed under the option set forth in this sub-item (ii), this Agreement shall terminate and the parties shall have no further obligations hereunder except those obligations that expressly survive termination as set forth herein.

(b) The Companies agree and commit to create at least fifteen (15) Full-Time Jobs by no later than the end of the Investment Period, and to thereafter maintain at least fifteen (15) Full-Time Jobs through the end of the Term.

Section 4.02. Reporting and Filing.

(a) Each Company shall maintain, or cause to be maintained, such books and records with respect to the Project as will permit the identification of the portions of the Project placed in service, the amount of investment with respect thereto, any computations of the FILOT Payments and the Special Source Revenue Credits hereunder, the Companies' compliance with the Contract Minimum Investment Requirement and the Sponsor's compliance with the Jobs Commitment. The Companies agree to comply with all reporting requirements of the State and the County applicable to FILOT property under the Act and the Multi-County Park Act.

(b) A County Official may request and obtain, upon prior reasonable notice, such financial books and records from the Companies that supports the respective reports and returns of each Company as may be reasonably necessary to verify the calculations of the FILOT Payments and the Special Source Revenue Credits, or the Companies' compliance with the Contract Minimum Investment Requirement and Sponsor's compliance with the Jobs Commitment. For purposes of this Agreement, the term "County Official" includes the County Administrator, County Auditor, County Assessor, County Treasurer, and the County Director of Economic Development.

(c) Each year during the Term, each Company shall deliver, in the manner set forth in **Section 4.02(e)** below, to the County Auditor and the County Director of Economic Development a copy of any property tax form or return it files with the South Carolina Department of Revenue with respect to the Project within thirty (30) days of delivery thereof to the South Carolina Department of Revenue. The County and the Companies expect such tax forms or returns to include, but not be limited to:

(i) the South Carolina Department of Revenue Form PT-443 which, under current laws and regulations must be filed within thirty (30) days of the execution of this Agreement with the South Carolina Department of Revenue, the county auditors of the County and Multi-County Park partner county, and the county assessors of the County and the Multi-County Park partner county; and

(ii) the South Carolina Department of Revenue Form PT-300 and any applicable schedules thereto (or such successor forms and schedules as may be promulgated by the South Carolina Department of Revenue from time to time), which such form, under current laws and regulations, and subject to certain exceptions, must be filed with the South Carolina Department of Revenue by April 30th of each year (such date being the last day of the fourth month following each Company's closing date for income tax purposes).

(d) During the Term, the Sponsor shall deliver to the County Auditor and the County Director of Economic Development on or before each May 31 following the end of a property tax year, beginning with May 31, ~~20~~2024, the annual investment and jobs information with respect to the Companies contained in **Exhibit B** attached hereto.

(e) If any of the information, returns, certifications, or other reports set forth in this **Section 4.02** are not timely delivered, in writing, to the appropriate County officials, in addition to any other remedy available to the County, the County may withhold the applicability of the FILOT and the Special Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for the applicable property tax year. In the event the Company fails to timely deliver any of the information, returns, certifications or other reports due with respect to the Project for the [2024 or 2025] property tax years, the County shall re-instate the applicability of the FILOT and the Special Source Revenue Credits against the FILOT Payments for such property tax years if such information, returns, certifications, or other reports are delivered, in writing, to the appropriate County officials by March 1, [2025] or March 1, [2026], respectively, failing which, in addition to any other remedy available to the County, the FILOT and the Special

Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for such property tax year shall be forfeited unless such non-compliance is waived by the County in its sole and absolute discretion pursuant to **Section 12.13** of this Agreement. With respect to the 2026 property tax year and any subsequent property tax year, if any of the information, returns, certifications, or other reports set forth in this **Section 4.02** are not timely delivered, in writing, to the appropriate County officials, in addition to any other remedy available to the County, the FILOT and the Special Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for the applicable property tax year shall be forfeited unless such non-compliance is waived by the County in its sole and absolute discretion pursuant to **Section 12.13** of this Agreement.

Information, returns, certifications or other reports to be provided to the County Auditor pursuant to this **Section 4.02** shall be in writing and delivered either:

(i) by trackable mail or delivery service to the County Auditor, addressed as follows:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina

or

(ii) by e-mail to the County Auditor or Deputy County Auditor; provided, delivery by e-mail pursuant to this **subsection (ii)** shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the County Auditor's office.

Information, returns, certifications or other reports to be provided to the County Director of Economic Development pursuant to this **Section 4.02** shall be in writing and delivered either:

(A) by trackable mail or delivery service to the Economic Development Director, addressed as follows:

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina

or

(B) by e-mail to the Economic Development Director; provided, delivery by e-mail pursuant to this **subsection (B)** shall qualify as "delivery" hereunder

only to the extent receipt of such e-mail is confirmed by return e-mail from the Lancaster County Department of Economic Development.

Oral communication shall not qualify as "delivery" of the information, returns, certifications, or other reports required to be provided under this **Section 4.02**.

(f) The County acknowledges and understands that the Companies may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Companies' operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Companies and could have a significant detrimental impact on the Companies' employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use its best efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Companies, their agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any Person other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Companies and give the Companies the opportunity to contest the release.

Section 4.03 Modification of Project.

As long as no event of default exists hereunder, the Companies shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) Each Company may, at its own expense, add to the Project any real and personal property as the Company in its discretion deems useful or desirable. For avoidance of doubt, this shall include any additional buildings that the Companies construct on the Land. Further, nothing in this Agreement prohibits the Companies from leasing any buildings constructed as part of the Project, and no such leasing shall constitute a sale, conveyance or other transfer resulting in a Due on Sale Payment under Section 5.01(m).

(ii) In any instance where any Company, 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 such Company 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, as such may be permitted under the Simplified FILOT Act.

(iii) Each Company may, at any time in its discretion by written notice to the County, remove any real or personal property from the Negotiated FILOT (as defined in **Section 5.01**) set forth in this Agreement, and thereafter such property will be considered Non-Qualifying Property and will be subject to FILOT Payments as set forth in **Section 5.01(b)(i)** hereof.

ARTICLE V

PAYMENTS IN LIEU OF TAXES

Section 5.01. Payments in Lieu of *Ad Valorem* Taxes.

(a) In accordance with the Act, the parties agree that, during the Term of this Agreement, the Companies shall pay annually, with respect to the Project, a FILOT in the amount calculated as set forth in this **Section 5.01**, to be collected and enforced in accordance with Section 12-44-90 of the Act.

(b) The FILOT Payment due with respect to each property tax year shall equal:

(i) With respect to any portion of the Project consisting of undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property, as long as such property is located in the Multi-County Park, a payment equal to the *ad valorem* taxes that would otherwise be due on such undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property if it were taxable giving effect to all credits, exemptions, depreciation, rebates and abatement that would be available if such undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property were taxable; and

(ii) With respect to those portions of the Project consisting of Economic Development Property, for each of the twenty (20) consecutive years following the year in which such portion of the Project is placed in service, a payment calculated each year as set forth in paragraphs (c) and (d) of this **Section 5.01** (a "Negotiated FILOT").

(c) The Negotiated FILOT Payments shall be calculated with respect to each property tax year based on:

(i) the fair market value (determined in accordance with Section 12-44-50(A)(1)(c) of the Code) of the improvements to real property and Equipment included within the Project theretofore placed in service (less, for Equipment, depreciation allowable for property tax purposes as provided in Section 12-44-50(A)(1)(c) of the Code);

(ii) a fixed millage rate equal to 342.9 mills, **plus 50 mills for the City of Lancaster, South Carolina** for the Term, in accordance with the Intergovernmental Agreement dated as of January 8, 2008 between the County and the City of Lancaster, South Carolina; and

(iii) an assessment ratio of six percent (6%).

All calculations of the Negotiated FILOT Payments shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except, to the extent applicable, the exemption allowed pursuant to Section 3(g) of Article

X of the Constitution of the State of South Carolina and the exemptions allowed pursuant to Sections 12-37-220(B)(32) and (34) of the Code.

To defray or reimburse the Cost of Special Source Improvements, Special Source Revenue Credits shall be applied with respect to Economic Development Property in amounts equal to twelve percent (12%) of the Negotiated FILOT Payments against each of the first ten (10) consecutive annual Negotiated FILOT Payments, *provided, however, that,* the Special Source Revenue Credits shall not apply to the 50 mills attributable to the City of Lancaster, South Carolina or to the Additional Fee, and *provided, further, that* Special Source Revenue Credits are subject to retroactive and prospective termination as set forth in **Section 5.01(j)** of this Agreement. Special Source Revenue Credits shall not, in the aggregate, exceed the aggregate Cost of Special Source Improvements funded from time to time in connection with the Project by the Companies. If the Companies have made a written election to include, as part of the Special Source Improvements, any personal property, and has provided notice to the County of such election, and the Companies subsequently remove or dispose of such personal property from the Project during the term of this Agreement and have claimed Special Source Revenue Credits against FILOT Payments based on such personal property, then the Companies are required to continue to make FILOT Payments on the removed personal property for the two years immediately following the year in which the Companies remove such personal property from the Project. The amount of the FILOT Payments due on the removed personal property is equal to the FILOT Payments due on the personal property for the year in which the Companies remove or dispose of the personal property. If the Companies replace such personal property with qualifying replacement property, then the removed personal property is deemed not to have been removed from the Project. Notwithstanding anything in this subsection to the contrary, the Companies shall be required to make the FILOT Payments required in this subsection only if and to the extent that the Act or the Multi-County Park Act so require at the time the personal property in question is removed or disposed of.

(d) The FILOT Payments are to be recalculated:

(i) to reduce such payments in the event any Company disposes of any part of the Project within the meaning of Section 12-44-50(B) of the Code and as provided in **Section 4.03** hereof, by the amount applicable to the Released Property;

(ii) to increase such payments, based on the methodology set forth in **Section 5.01(c)** hereof, in the event any Company adds property (other than Replacement Property) to the Project; or

(iii) to adjust such payments if any Company elects to convert any portion of the Project from the Negotiated FILOT to the FILOT required by **Section 5.01(b)(i)** above, as permitted by **Section 4.03(iii)** above.

(e) [Reserved]

(f) Upon any Company's placement in service of any Replacement Property for any portion of the Project removed under **Section 4.03** hereof and sold, scrapped, or disposed of by

any Company, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(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 property subject to the FILOT, whether real or personal, which is disposed of in the same property tax year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Economic Development Property which it is replacing. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the FILOT Payment for the period of time remaining on the FILOT period for the property which it is replacing.

(ii) The new Replacement Property which qualifies for the Negotiated FILOT Payment shall be recorded using its income tax basis, and the Negotiated FILOT Payment shall be calculated using the millage rate and assessment ratio provided on the original property subject to FILOT Payment.

(g) In the event that the Act or the FILOT or any portion thereof, are declared, by a court of competent jurisdiction following allowable appeals, invalid or unenforceable, in whole or in part, for any reason, the Companies and the County express their intentions that such payments be reformed so as to afford the Companies the maximum benefit then permitted by law, including, without limitation, the benefits afforded under Section 12-44-50 of the Code and, specifically, that the Companies may, at the Companies' expense, exercise the rights granted by Section 12-44-160 of the Code. If the Project is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Companies and the County agree that the Companies shall pay an alternate fee-in-lieu of tax calculated in the manner set forth in **Section 5.01(b)(i)** hereof. In such event, the Companies shall be entitled, to the extent permitted by law: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Section 3(g) of Article X of the Constitution of the State of South Carolina, and any other exemptions or credits allowed by law; and (2) to enjoy all allowable depreciation. The Companies agree that if the FILOT Payments or this Agreement are reformed pursuant to this **Section 5.01(g)**, that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(h) This Agreement is automatically terminated in the event that the investment in the Project does not satisfy the Act Minimum Investment Requirement by the end of the initial Investment Period. If terminated pursuant to this **Section 5.01(h)**, the Negotiated FILOT Payments shall revert retroactively to payments equivalent to what the *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, would have been with respect to the property absent this Agreement. At the time of termination, the Companies shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the Companies had the Project been taxable, taking into account exemptions from property taxes and depreciation that would have been available to the Companies,

and the total amount of Negotiated FILOT Payments actually made by the Companies. This additional amount is subject to interest as provided in Section 12-54-25. The Companies agree, if the Negotiated FILOT Payments revert to payments equivalent to what the *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, would be pursuant to this **Section 5.01(h)**, that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(i) This Agreement is automatically terminated, and the Project shall thereafter be subject to *ad valorem* taxes, in the event that either (1) the investment in the Project satisfies the Act Minimum Investment Requirement by the end of the initial Investment Period, but following the initial Investment Period falls below the Act Minimum Investment Requirement, or (2) the investment in the Project fails to satisfy the Contract Minimum Investment Requirement by the end of the initial Investment Period. In the event the Jobs Commitment is not met by the end of the initial Investment Period, then all Negotiated FILOT Payments shall revert retroactively to *ad valorem* taxes, with interest, calculated as set forth in **Section 5.01(h)** above. In the event that the Jobs Commitment is satisfied by the end of the initial Investment Period but is not maintained following the initial Investment Period, this Agreement is automatically terminated, and the Project shall thereafter be subject to *ad valorem* taxes.

(j) In the event either (1) the Contract Minimum Investment Requirement is not satisfied at the end of the initial Investment Period or is not maintained for each year thereafter in which the Companies would otherwise be entitled to receive a Special Source Revenue Credit, or (2) the Jobs Commitment is not achieved during the initial Investment Period or maintained for each year in which the Company would otherwise be entitled to receive a Special Source Revenue Credit, the Special Source Revenue Credits applicable to each Negotiated FILOT Payment due with respect to the Project shall be terminated on a retroactive and prospective basis. To the extent that the Special Source Revenue Credit is terminated, there shall be due and payable from the Companies to the County an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid after taking into account any Special Source Revenue Credits that did apply to such Negotiated FILOT Payments, and the Negotiated FILOT Payments which would have been paid in the absence of any Special Source Revenue Credits, together with interest on such difference calculated in the manner as provided in Section 12-54-25 of the Code, or any successor Code provision.

(k) Unless otherwise provided by the Act, any amounts due to the County under this **Section 5.01** by virtue of the application of subsections **(h)**, **(i)** or **(j)** shall be paid within ninety (90) days, following written notice thereof from the County to the applicable Company. The Companies' obligations to make any such payments shall survive any termination of this Agreement.

(l) In partial consideration for locating the Project in the County, on the Effective Date of this Agreement, the County is executing and delivering a limited warranty deed (the "Conveyance") pursuant to which it is transferring to the Sponsor Affiliate approximately 16.62 acres of land within the Lancaster Business Park (the "Business Park Land"). The Business Park Land is valued at $450,000 based on that certain Appraisal Report dated March 22, 2023 by

Tedford & Associates. In connection with the Business Park Land and subject to Section 12.14 below, the Companies agree:

(i) If by December 31, 2027, the Companies have not invested at least $5,000,000 (building and machinery, not including the value of the Business Park Land) and employed at least ten (10) Full-Time Jobs at the Project, the Companies shall make a payment to the County on or before March 1, 2028 calculated as follows:

Payment = [(1 – (lesser of number of Full-Time Jobs created and 10 / 10)) + (1 – (lesser of amount invested in Project and $5,000,000 / $5,000,000))]/2 x $225,000

(ii) If by December 31, 2029, the Companies have not invested at least $14,335,000 (building and machinery, not including the value of the Business Park Land) and employed at least fifteen (15) Full-Time Jobs at the Project, the Companies shall make a payment to the County on or before March 1, 2030 calculated as follows:

Payment = [(1 – (lesser of number of Full-Time Jobs created and 15 / 15)) + (1 – (lesser of amount invested in Project and $14,335,000/ $14,335,000))] /2 x $225,000

By way of example:

If the Companies invest $2,500,000 and employ 9 Full-Time Jobs at the Project on December 31, 2027, a payment shall be due to the County on or before March 1, 2028 calculated as follows:

$67,500 = [.1 (being the percentage of required Full-Time Jobs not created) + .5 (being the percentage of required investment not made)] / 2 x $225,000

By way of further example:

If the Companies invest a total of $7,500,000 and employ 18 Full-Time Jobs at the Project on December 31, 2029, a payment shall be due to the County on or before March 1, 2030 calculated as follows:

$53,641 = [0 (being the percentage of required Full-Time Jobs not created) + .4768 (being the percentage of required investment not made)] / 2 x $225,000

The Companies' obligation to make any of the payments set forth in this **Section 5.01(l)** shall survive any termination of this Agreement.

(m) Upon any sale, conveyance or other transfer of the Business Park Land, on or prior to December 31, 2029, the Companies shall owe to the County the then-current fair market value of the Business Park Land (the "Due on Sale Payment") determined as set forth below.

Notwithstanding the foregoing, such Due on Sale Payment shall not be required: (1) with respect to a sale, conveyance or other transfer of the Business Park Land in connection with a Financing Arrangement (as defined in **Section 9.01** below); or (2) upon a sale, conveyance or other transfer of the Business Park Land by the Sponsor Affiliate to an Affiliate provided (a) the Due on Sale Payment must be paid in the event of a subsequent sale, conveyance or other transfer of the Business Park Land by such Affiliate, or any of its Affiliates, to a non-Affiliate, and (b) the Companies and such Affiliate must enter into a written agreement with the County or in which the County is a third-party beneficiary, whereby Affiliate agrees to be liable for the payment of the Due on Sale Payment to the County and the Companies agree to jointly and severally guaranty any Due on Sale Payment owed by such Affiliate.

(i) Valuation. The parties shall meet at a mutually agreeable time and place to present such evidence as each party desires in an effort to mutually in good faith attempt to arrive at the Due on Sale Payment for the Business Park Land. If the parties cannot so agree on the Due on Sale Payment within thirty (30) days of the transaction giving rise to such payment, then any party, on written notice to the other, shall cause the matter to be submitted to appraisal, as follows:

(1) Two Appraisers. Within thirty (30) days after giving written notice to the other party of its intention to have the matter submitted to appraisal, each party, at its own cost and by giving notice to the other party, shall appoint a qualified real estate appraiser who shall be a member of the Appraisal Institute and have at least ten years' full-time commercial appraisal experience in the commercial real estate industry within twenty-five (25) miles of the Business Park Land, to appraise and determine the Due on Sale Payment. The two (2) appraisers shall independently, and without consultation, prepare a written appraisal of the Due on Sale Payment within thirty (30) days. Each appraiser shall seal its respective appraisal after completion. After both appraisals are completed, the resulting estimates of the Due on Sale Payment shall be opened by the Companies and the County and compared. If the values of the appraisals differ by no more than ten percent (10%) of the value of the higher appraisal, then the Due on Sale Payment shall be the average of the two (2) appraisals.

(2) Three Appraisers. If the values of the appraisals differ by more than ten percent (10%) of the value of the higher appraisal, the two (2) appraisers shall designate in writing a third appraiser meeting the qualifications set out in Section 5.01(m)(i)(1) above. The third appraiser shall be a person who has not previously acted in any capacity for either party. The third appraiser shall make an appraisal of the Due

on Sale Payment within ten (10) days after selection and without consultation with the first two (2) appraisers. The Due on Sale Payment shall be the value selected by the one of the two (2) appraisers that is closest, on a dollar basis, to the Due on Sale Payment selected by the third appraiser. This determination of the Due on Sale Payment shall be binding and conclusive.

(ii) No Improvements. Anything to the contrary contained herein notwithstanding, the valuation of the Business Park Land for purposes of the Due on Sale Payment shall be based on the Business Park Land as if vacant, undeveloped land only and shall not include the value of any buildings, any Equipment or any other machinery, apparatus, equipment, office facilities, furnishings, fixtures or other personal property, any Replacement Property, any water, sewer treatment and disposal, electrical, gas, telecommunications or other utility facilities, any roads, roadways, driveways, parking areas, sidewalks, walkways and related curbing, lighting, landscaping, or any other improvements to the Business Park Land whatsoever made subsequent to the Conveyance, and the Business Park Land shall be further valued as if any such improvements had never been made and the Business Park Land had remained vacant, undeveloped land at all times since the Conveyance.

(iii) Costs. Each party shall pay the fees and expenses of its own appraiser, and fifty percent (50%) of the fees and expenses of the third appraiser.

(iv) The Due on Sale Payment shall be due and payable to the County within thirty (30) days of the final determination of the amount due. The transaction giving rise to the Due on Sale Payment shall not be delayed by payment of the Due of Sale Payment.

(v) The Companies' obligation to pay the Due on Sale Payment shall survive any termination of this Agreement.

(n) Notwithstanding any other provision of this Agreement, the Companies acknowledge and agree that County's obligation to provide the FILOT incentive and the Special Source Revenue Credits ends, and this Agreement is terminated, if the Companies cease operations. For purposes of this **Section 5.01(n)**, "**cease operations**" means closure of the Companies' facility in the County for a period of 365 consecutive days. The Companies agree that if this Agreement is terminated pursuant to this **Section 5.01(n)**, that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(o) To the extent the County levies additional millage for the specific purpose of providing either fire or EMS services, or both, during the Term of this Agreement, the Companies shall pay an additional fee to the County (the "Additional Fee") calculated in the same manner set forth above in **Section 5.01(c)**, provided the component set forth in subsection **(ii)** of such calculation shall equal the additional millage so levied. The Additional Fee shall be paid annually

at the same time, and subject to the same terms and penalties, as each FILOT Payment is due pursuant to this Agreement.

ARTICLE VI

PAYMENTS BY COMPANY

Section 6.01. Defaulted Payments. In the event the Companies should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of the Companies, notwithstanding any termination of this Agreement, until the amount in default shall have been fully paid. The Companies agree that the collection and enforcement of the defaulted payment shall be as provided in Section 12-44-90 of the Code.

ARTICLE VII

CASUALTY AND CONDEMNATION

Section 7.01. Adjustments in the Event of Damage and Destruction or Condemnation. In the event that the Project or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, any Company, in its sole discretion, may determine whether or not to repair or replace the same. The parties agree that if such Company decides not to repair or replace all or any portion of the Project pursuant to this **Section 7.01**, the FILOT required pursuant to **Section 5.01** hereof shall be abated in the same manner and in the same proportion as if *ad valorem* taxes, or FILOT Payments pursuant to the Multi-County Park Act, as the case may be, were payable with respect to the Project.

ARTICLE VIII

PARTICULAR COVENANTS AND AGREEMENTS

Section 8.01. Use of Project for Lawful Activities. During the Term of this Agreement, the Companies shall use the Project for the purposes identified in **Section 2.02(f)** of this Agreement and for any lawful purpose that is authorized pursuant to the Act.

Section 8.02. Assignment. The County agrees that, to the maximum extent allowable under the Act (or any amendments thereto), any of the Companies may assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights or obligations under this Agreement, and any lease agreement, lease purchase agreement, or fee agreement, as the case may be, or any other agreement related hereto or thereto, or transfer any and all assets of such Company, to one or more Related Entities (as defined in **Section 9.01** below) without adversely affecting the benefits of such Company or its assignees pursuant to any such agreement or the Act. Each Company shall provide the County and the Department of Revenue with notice of any such assignment, transfer, or investment in accordance with the Act, and the County agrees, upon the request of such Company, to take all further action necessary to implement such assignment, transfer, or investment in accordance with the provisions of the Act. To the extent that the Act may require the consent, approval or ratification of or by the County for

the assignment of this Agreement, in whole or in part, the County agrees to not unreasonably withhold, condition or delay its consent, approval or ratification.

Section 8.03. Indemnification. Each Company releases the County, including the members of the governing body of the County, and the employees, officers, attorneys and agents of the County (herein collectively referred to as the "Indemnified Parties") from, agrees that the Indemnified Parties shall not be liable for, and agrees to hold the Indemnified Parties harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to this Agreement, the Project or the use thereof, except for that occasioned by grossly negligent or intentional acts of an Indemnified Party. Each Company further agrees to indemnify and save harmless Indemnified Parties against and from any and all costs, liabilities, expenses, and claims arising from any breach or default on the part of the Companies in the performance of any covenant or agreement on the part of the Companies to be performed pursuant to the terms of this Agreement or arising from any act or negligence of, or negligent failure to act where there is a duty to do so by any Company, or any of its agents, attorneys, contractors, servants, employees, or licensees, and from and against all cost, liability, and expenses incurred in or in connection with any such claim or action or proceeding brought thereon.

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

Notwithstanding the fact that it is the intention of the Indemnified Parties hereto that none of them shall incur any pecuniary liability by reason of the terms of this Agreement, any related agreements or the undertakings required of the County hereunder by reason of the performance of any act requested of the County by any Company, including all claims, liabilities, or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if any Indemnified Party shall incur any such pecuniary liability, then in such event such Company shall indemnify and hold them harmless against all claims by or on behalf of any Person, firm, or corporation or other legal entity arising out of the same and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, *provided, however,* that nothing herein shall absolve the Indemnified Parties from, or entitle the Indemnified Parties to indemnification from, any obligation such Indemnified Party has specifically agreed to undertake (including, without limitation, the obligation to place and maintain the Land within a multi-county park). If any action, suit, or proceeding is brought against any Indemnified Party to which such Indemnified Party is entitled to indemnification, such Indemnified Party shall promptly notify such Company, and such Company shall have the sole right and duty to assume, and shall assume, the defense thereof, at its expense, with full power to litigate, compromise, or settle the same in its sole discretion; *provided*, that such Company shall obtain the prior written consent of the County to settle any such claim unless such claim is for

monetary damages for which such Company has the ability to, and does, pay. Notwithstanding the foregoing, if the Indemnified Party is the County, in the event the County reasonably believes there are defenses available to it that are not being pursued or that the counsel engaged by such Company reasonably determines that a conflict of interest exists between the County and such Company, the County may, in its sole discretion, hire independent counsel to pursue its own defense, and such Company shall be liable for the reasonable cost of such counsel.

The indemnity specified in this **Section 8.03** shall be in addition to any heretofore extended by the Companies to any Indemnified Party and shall survive the termination of this Agreement with respect to liability arising out of any event or act occurring prior to such termination.

Section 8.04. Sponsors and Sponsor Affiliates. Sponsor may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Simplified FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Companies and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of Sponsor, Sponsor Affiliate or other Sponsors or Sponsor Affiliates, or other Persons described in **Section 8.02** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30(19) or (20) and Section 12-44-130 of the Simplified FILOT Act must be approved by the County in writing. To the extent that the aggregate investment in the Project by the end of the Investment Period by all Sponsors and Sponsor Affiliates exceeds $5,000,000, to the extent permitted by Section 12-44-30(19) of the Simplified FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the FILOT pursuant to **Section 5.01** of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Act Minimum Investment Requirement by the end of the Investment Period. The Companies shall provide the County and the Department of Revenue with written notice of any other Sponsor or Sponsor Affiliate designated pursuant to this **Section 8.04** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service property to be used in connection with the Project and subject to the Negotiated FILOT Payment, all in accordance with Section 12-44-130(B) of the Simplified FILOT Act.

ARTICLE IX

FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS

Section 9.01. Conveyance of Liens and Interests; Assignment. Any Company may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to the Project to any Person; or (b) enter into any lending, financing, security, or similar arrangement or succession of such arrangements with any financing entity with respect to the Agreement or the Project, including without limitation any sale-leaseback, or other financing lease arrangement (collectively, a "Financing Arrangement"); *provided, that,* in connection with any of the foregoing transfers: (*i*) except in connection with any transfer to an Affiliate of any Company (collectively, the "Related Entities"), or transfers pursuant to clause (b) above (as to which such

transfers the County hereby consents), such Company shall first obtain the prior written consent or subsequent ratification of the County; (*ii*) except where 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 transferee or financing entity assumes in writing the obligations of such Company hereunder, or where the County consents in writing, no such transfer shall affect or reduce any of the obligations of such Company hereunder, but all obligations of such Company hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety; (*iii*) such Company, transferee, or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (*iv*) such Company and the transferee shall comply with all other requirements of the Transfer Provisions.

The Companies acknowledge that such a transfer of an interest under this Agreement or in the Project may cause the Project to become ineligible for a Negotiated FILOT Payment or result in penalties under the Act absent compliance by such Company with the Transfer Provisions.

Section 9.02. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge the application of the provisions of Section 12-44-90 of the Act, and that the County's right to receive FILOT Payments hereunder shall be the same as its rights conferred under Title 12, Chapter 49 and 54, among others, of the Code relating to the collection and enforcement of *ad valorem* property taxes. The County's rights under this Agreement, except for its rights to receive FILOT Revenues, shall be subordinate to the rights of any secured party or parties under any financing arrangements undertaken by any Company with respect to the Project pursuant to **Section 9.01** hereof, such subordination to be effective without any additional action on the part of the County; *provided, however,* that the County agrees, at such Company's expense, to execute such agreements, documents, and instruments as may be reasonably required by such secured party or parties to effectuate or document such subordination.

ARTICLE X

TERM; TERMINATION

Section 10.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Companies execute this Agreement, and ending at midnight on the later of (i) the last day of the property tax year in which the last Negotiated FILOT Payment is due hereunder, or (ii) the day that all Special Source Revenue Credits due from the County have been fully provided by the County. With respect to the Negotiated FILOT Payments arrangement, the Project has a term of twenty (20) years, as calculated pursuant to the respective dates when the relevant portions of the Project are placed in service. The County's rights to receive any payments due under this Agreement, including, but not limited to indemnification and payment of Administrative Expenses, shall survive the expiration or termination of this Agreement.

Section 10.02. Termination. The County and the Companies may agree to terminate this Agreement at any time, or the Sponsor may, at its option, terminate this Agreement at any time, as to all or a portion of the Project, upon providing the County thirty (30) days' notice of such termination, in which event all or such portion of the Project, as the case may be, shall be subject to *ad valorem* taxes from the date of termination. In the event that this Agreement is terminated by the operation of this **Section 10.02** at any time during the initial Investment Period prior to the Company meeting the Act Minimum Investment Requirement or the Jobs Commitment, amounts due to the County as a result thereof, if any, shall be calculated as provided in **Section 5.01(h), (i)** and **(j)** hereof, as applicable. The County's rights to receive payments due under this Agreement, including for *ad valorem* taxes, and its rights to enforce the terms of this Agreement shall survive termination of this Agreement.

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default by Companies.

Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default, but solely with respect to the defaulting company (the "Defaulting Company"):

(a) if default shall be made by the Defaulting Company in the due and punctual payment of any FILOT Payments, Additional Fees, indemnification payments, Administrative Expenses, or any other payment obligations under this Agreement, which default shall not have been cured within thirty (30) days following receipt of written notice thereof from the County; or

(b) if default shall be made by the Defaulting Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (1), and such default shall continue for ninety (90) days after the County shall have given the Defaulting Company written notice of such default, *provided, that* the Defaulting Company shall have such longer period of time as necessary to cure such default if the Defaulting Company proceeds promptly to cure such default and thereafter to prosecute the curing of such default with due diligence; and *provided, further,* that no Event of Default shall exist under this paragraph (2) during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Defaulting Company has contested the occurrence of such default.

Section 11.02. Remedies on Event of Default by a Company. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies, any of which may be exercised at any time during the periods permitted under the following clauses:

(a) terminate this Agreement with respect to the Defaulting Company by delivery of written notice to the Defaulting Company not less than thirty (30) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Defaulting Company pursuant to **Section 4.02(c)** above; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition, or agreement of the Defaulting Company under this Agreement.

Section 11.03. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Companies may take whatever action at law or in equity as may appear necessary or desirable to enforce their rights under this Agreement, including without limitation, a suit for mandamus or specific performance. *Provided, however,* that 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.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Companies provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced; and the exercise by the County or by the Companies of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Companies of any or all such other rights, powers or remedies.

Section 12.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns as permitted hereunder.

Section 12.03. Intentionally Omitted.

Section 12.04. Administrative Expenses.

(a) The Companies agree to reimburse the County from time to time for its reasonable Administrative Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administrative Expenses.

(b) The Companies agree to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual FILOT Payments and any Special Source Revenue Credits, *provided,*

however, the maximum annual reimbursement pursuant to this subsection is capped at One Thousand and No/100 dollars ($1,000.00).

Section 12.05. Rules of Construction. The County and the Companies acknowledge and agree that each has been represented by legal counsel of its choice throughout the negotiation and drafting of this Agreement, that each has participated in the drafting hereof and that this Agreement will not be construed in favor of or against either party solely on the basis of such party's drafting or participation in the drafting of any portion of this Agreement.

Section 12.06. Notices; Demands; Requests. Unless otherwise provided in this Agreement, all notices, demands and requests to be given or made hereunder to or by the County or the Companies shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid or reputable courier service, addressed as follows or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

County of Lancaster, South Carolina
ATTN: County Administrator
101 N. Main St. (29720)
P.O. Box 1809 (29721-1809)
Lancaster, South Carolina

With a copy to (which shall not constitute notice):

Economic Development Director, Lancaster County
P.O. Box 1809
Lancaster, South Carolina 29721

(b) As to the Sponsor / Sponsor Affiliates:

~~PROJECT E3~~
eFACTOR3 LLC
ATTN: Hartmut Bendfeldt
15050 Choate Circle, Suite E
Charlotte, NC 28273

Bendfeldt Holdings LLC
ATTN: Hartmut Bendfeldt
15008 Laurel Glen Way
Indian Land, SC 29707

With a copy, in each case, to (which shall not constitute notice):

Womble Bond Dickinson (US) LLP
ATTN: Stephanie Yarbrough
5 Exchange Street
Charleston, SC 29401

Section 12.07. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 12.08. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties with each other with respect to the subject matter hereof, and no party has made nor shall be bound by any agreement or any representation to any other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 12.09. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 12.10. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or sections or paragraphs of this Agreement are references to the designated articles or sections or paragraphs of this Agreement.

Section 12.11. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

Section 12.12. Amendments. Subject to the limitations set forth in the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by all parties.

Section 12.13. Waiver. Any party may waive compliance by any other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 12.14. Force Majeure. The Companies shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, labor shortages, fire, floods, pandemics, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Company's reasonable control.

IN WITNESS THEREOF, the County, acting by and through the County Council, has caused this Fee in Lieu of Tax and Incentive Agreement to be executed in its name and behalf by the Council Chair and Council Secretary and to be attested by the Clerk to Council; and each of the Companies have caused this Fee in Lieu of Tax and Incentive Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

LANCASTER COUNTY, SOUTH CAROLINA

_____

Steve Harper, Chair, County Council

_____

Billy Mosteller, Secretary, County Council

ATTEST:

_____

Sherrie Simpson, Clerk to Council

COMPANY SIGNATURES FOLLOW ON NEXT PAGE.

~~**PROJECT E3**~~

EFACTOR3 LLC

_____
Name

_____
Title

~~**PROJECT E3 AFFILIATE**~~

BENDFELDT HOLDINGS LLC

_____
Name

_____
Title

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

EXHIBIT A

DESCRIPTION OF LAND

An approximate 16.62 acre parcel located on Quality Drive in the Lancaster Business Park, currently identified as Lancaster County Tax Map No. 0061-00-104.00 as of the Effective Date.

EXHIBIT B

ANNUAL INVESTMENT AND JOBS CERTIFICATION

To be Filed Annually, by May 31st, with:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina 29721

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina 29721

~~[PROJECT E3]~~ EFACTOR3 LLC (the "Company"), does hereby certify in connection with the Fee In Lieu of Tax and Incentive Agreement dated as of _____, 20__ (the "Agreement") among Lancaster County, South Carolina, the Company and ~~[PROJECT E3 AFFILIATE]~~ BENDFELDT HOLDINGS LLC (the "Project Affiliate") as follows:

(1) As of December 31, 20__, the total amount of Special Source Revenue Credits received by the Company and any Sponsor Affiliates is as follows:

Special Source Revenue Credits received by the Company $ _____

\+

Special Source Revenue Credits received by Project Affiliates $ _____

=

Total Special Source Revenue Credits received $ _____

(2) As of December 31, 20__, the total amount of investment by the Company and any Sponsor Affiliates in Project Costs of Special Source Improvements is not less than $_____.

(3) As of December 31, 20__, the capital investment in the Project made and maintained by the Company and any Sponsor Affiliates is not less than $_____.

(4) As of December 31, 20___, the total number of Full-Time Jobs created and maintained by the Company and any Sponsor Affiliates is _____.

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

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

~~**[PROJECT E3]**~~
EFACTOR3 LLC

By:_____
Name:_____
Its:_____

EXHIBIT C

SPECIFIED ECONOMIC DEVELOPMENT PROPERTY

Category	Book Cost
Automobiles	$189,959.85
Computers	$84,006.22
Furniture & Fixtures	$52,289.21
Machinery & Equipment	$3,650,066.91
Software	$6,312.63
Total	$3,982,634.82

CONVEYANCE OF PROPERTY AGREEMENT

THIS CONVEYANCE OF PROPERTY AGREEMENT (the "Agreement") is hereby made and entered into as of this ___ day of _____, 2023 (the "Effective Date"), by and among BENDFELDT HOLDINGS LLC, a South Carolina limited liability company (the "Company") and LANCASTER COUNTY, SOUTH CAROLINA (the "County").

WITNESSETH:

WHEREAS, the County currently owns certain Property (as defined below), and has undertaken site improvements thereon, with the goal of promoting economic development, capital investment, and job creation in the County; and

WHEREAS, the Company proposes to acquire the Property from the County, and to construct thereon one or more buildings and other improvements for the purpose of establishing a distribution facility (the "Project"); and

WHEREAS, the County has agreed to convey the Property to the Company in order to facilitate the capital investment and job creation represented by the Project in the County; and

WHEREAS, the purpose of this Agreement is to set forth the respective expectations and obligations of the parties in connection with the Project and the conveyance of the Property to the Company.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the mutual promises and covenants contained herein and for other valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. Project Overview.

In connection with the Project, the Company proposes to construct an approximately 30,000 square foot facility (the "Facility"), on an approximate 16.62 acre tract of land, identified on Exhibit A attached hereto (the "Property"), and located on Quality Drive in the Lancaster Business Park (the "Business Park").

ARTICLE II. INTENTIONALLY DELETED.

ARTICLE III. INTENTIONALLY DELETED.

ARTICLE IV. Land Conveyance.

a) Subject to the other terms of this Agreement, the County will convey the Property to the Company for one hundred dollars ($100.00) (the "Purchase Price") within ten business (10) days of receipt of a written request by the Company (the "Closing"). The Closing shall occur no later than thirty (30) days after expiration of the Inspection Period, unless extended as otherwise provided herein (the "Closing Date"). Notwithstanding anything else set forth herein, the Closing shall occur on or before the date which is eighteen (18) months after the Effective Date of this Agreement (the "Outside Closing Date"). In the event the transaction contemplated herein has not closed by the Outside Closing Date, the County may, in its sole discretion, terminate this contract and the parties shall have no further obligations hereunder to each other.

b) Company may obtain a physical and boundary survey of the Property (the "Survey") and submit same to County for approval. The cost of any Survey shall be borne by Company. The legal description at Closing shall be based on the Survey and at Company's option, also the legal description pursuant to which County took title to the Property. Company shall be responsible for any applications and approvals necessary for approval of any subdivision necessary for the Property to be assigned a separate tax map number and subdivision approval by the County Planning Department.

c) At the Closing, County shall deliver, or cause to be delivered, to Company a limited warranty deed in form and content reasonably satisfactory to Company's counsel, conveying to Company title to the Property, such title to be insurable both as to fee and marketability at regular rates by a title insurance company of Company's choice (the "Title Company"), subject only to the Permitted Exceptions (as defined below).

d) The Property shall be conveyed by County to Company free and clear of all liens, encumbrances, claims, rights-of-way, easements, leases, restrictions and restrictive covenants, except Permitted Exceptions. For purposes of this Article IV(d), the term "Title Exceptions" shall mean any defects in, interests in, exceptions to, or conditions, liens, encumbrances or other matters of record relating to the title to the Property, whether evidenced by written instrument, disclosed on a survey or otherwise evidenced; any encroachments upon or by the Property; any boundary disputes regarding the boundaries of the Property; and the terms, provisions and conditions set forth in any instruments evidencing or referring to any such defects, exceptions, conditions, liens, encumbrances, overlaps, encroachments or boundary disputes or other matters, any matters relating to the zoning or land development process for the Property, which materially interfere with the Company's intended use or development of the Property. During the Inspection Period (as defined in Article IV(e)), Company shall have the right to study and investigate the title to the Property (including the Survey and zoning) to the extent it deems necessary. Company shall have the right to make objections to any Title Exception (collectively, the "Objections") on or prior to the end of the Inspection Period.

In the event Company notifies County of any Objections, then County shall have fifteen (15) business days after the receipt of such notice within which to notify Company as to whether County will cure any or all of the Objections. If County does not respond within such fifteen (15) day period, then County shall be deemed to have elected not to cure any of Company's Objections. In the event County affirmatively elects to cure any of the Objections, then County, at County's sole cost and expense, shall do so within thirty (30) days after receipt of the Objections as a covenant of County hereunder. In the event County elects not to cure any of the Objections or is unable to cure any of the Objections in the time period provided, then Company shall have the right (exercisable within ten (10) days after receipt of notice of County's election or the lapse of the fifteen (15) day period specified above) to either (i) terminate this Agreement, (ii) waive the uncured Objections and close under the terms of this Agreement or (iii) waive the uncured Objections and extend the Closing Date for a reasonable period of time to enable County to cure any Objections that County is attempting to cure, such extension term to be agreed upon in writing by County and Company. Those Title Exceptions to which Company has not objected or which Company accepts in writing shall herein collectively be referred to as the "Permitted Exceptions." Notwithstanding anything set forth herein to the contrary, in no event shall Company have any obligation to object to any judgment, mechanic's lien, materialman's lien, mortgage or deed of trust lien ("Liens") or any Title Exception arising on or after the Effective Date and unless specifically consented to in writing by Company, such items shall in no event be Permitted Exceptions unless resulting from Company's due diligence, and the County shall cause the same to be released, removed, or satisfied of record pursuant to documents approved by the Company on or before the Closing Date.

e) Inspection Period.

i. For purposes hereof, the "Inspection Period" shall be the period commencing on the Effective Date and ending on such date which is ninety (90) days after the Effective Date.

ii. Company, with County's reasonable cooperation, shall have the right to make all such inspections of the Property as Company deems desirable prior to Closing. Company agrees to indemnify and hold County harmless from all liabilities, claims, damages, liens, costs and expenses (including reasonable attorneys' fees) in connection with its inspection of the Property. Company is authorized to conduct customary environmental inspections of the Property, including without limitation a Phase I Environmental Site Assessment and if recommend by such Phase I, upon prior written approval from the County (such approval not to be unreasonably withheld), then a Phase II Environmental Site Assessment (including soil borings and similar investigations), geotechnical evaluation (including soil borings), wetlands evaluation, protected/endangered species and historical/cultural resources evaluation. Notwithstanding anything set forth herein to the contrary, Company shall in no event be liable to County or any other party for any reduction in the value of the Property caused by Company's discovery of any condition or state of facts affecting the Property, such as the existence of any hazardous substances or materials on the Property. The County agrees to provide

to the Company, without charge, within five (5) business days of execution of this Agreement, copies of any environmental reports, boundary surveys, title commitments and/or policies, and geotechnical data in its possession. Company acknowledges that County cannot give Company any right to rely on such reports and documents. The indemnification provisions of this Article IV(e)(ii) survive Closing and the termination of this Agreement. Company shall not disclose the results of any environmental testing to any governmental agency unless required to do so by law or regulation and the Company has given the County five (5) days written notice.

iii. Prior to the expiration of the Inspection Period, Company may, for any reason or for no reason, elect to terminate this Agreement by giving written notice of such decision to County. In the event such notice of termination is given, then the Company and the County shall not have any remaining obligation or liability to the other except as to the indemnity provisions set forth in Article IV(e)(ii) above. In the event this Agreement is terminated or Company does not close on the Property for any reason other than the default of the County, the Company shall deliver and assign to the County copies of all due diligence materials with respect to the Property.

iv. Company's obligations hereunder are contingent on (i) there being no material change to the physical condition of the Property or any new Title Exceptions arising between the Effective Date and Closing, (ii) County's performance of all obligations of County hereunder required to be performed on or before the Closing Date, (iii) the continued truth, accuracy, and completeness of all of County's representations and warranties set forth in this Agreement, and (iv) Company has received all required permits, licenses, and approvals from the County to allow Company to initiate construction on the Property (if any of the foregoing items (i) through (iv) only are incorrect or have not occurred, a "Changed Condition"). In the event that any such Changed Condition other than (iv) above is identified by Company prior to Closing, Company shall provide County with written notice thereof and County shall have fifteen (15) days, or such longer period as is necessary as long as County has commenced and is diligently pursuing cure, from the date of receipt of such notice to cure such Changed Condition, and thereafter if County has not cured such Changed Condition to the reasonable satisfaction of Company, Company shall be entitled to terminate this Agreement by giving written notice to County. If Changed Condition (iv) above is identified by Company prior to Closing, Company shall be entitled to extend the Closing Date until such time as Changed Condition (iv) is satisfied and if not satisfied within sixty (60) days of the originally scheduled Closing Date, Company shall be entitled, but shall not be required, to terminate this Agreement by giving written notice to County or the Company can continue to extend the Closing Date until (iv) is satisfied.

f) Closing Costs. County shall prepare the limited warranty deed to the Property at County's cost, which deed shall be subject to the reasonable approval of Company. Company shall pay for the transfer tax/documentary stamps pursuant to SC Code §12-24-

20(B). County shall pay for the cost of discharging any mortgage, lien or title encumbrance other than those resulting from Company's actions or otherwise permitted hereunder. Company shall be responsible for the cost of recording the deed and any other instruments to be recorded under the terms of this Agreement. Company shall pay for the cost of any title exam and title insurance premiums Company elects to purchase and the cost of Company's environmental and other due diligence. Except as otherwise provided herein, each party shall bear its own costs and expenses, including its own attorneys' fees.

g) Settlement Adjustments. Unless otherwise specified in this Agreement, all expenses and costs related to the Property shall be prorated as of the Closing Date.

h) Covenants of County. Until the Closing, (i) County shall continue to maintain the Property in good condition and repair, ordinary wear and tear alone excepted, and shall not cause or permit any waste respecting the Property and (ii) County shall not take any action that would adversely affect the value or title to the Property or place, consent or permit any lien, judgment or other encumbrance to affect title to the Property, or cause any Changed Condition, as provided in Article IV(e)(iv) above.

i) Brokerage Commission. Company and County each represent and warrant to the other that it has not dealt with any agent, realtor or broker in connection with this transaction. This Article IV(i) shall survive the Closing.

j) Eminent Domain. If, prior to the Closing, all or any part of the Property is taken by eminent domain or if condemnation proceedings are commenced, Company shall have the option, by giving written notice to County, to terminate this Agreement. If Company does not so elect to terminate this Agreement, the Agreement shall remain in full force and effect and County shall assign, transfer and set over to Company at the Closing all of County's right, title and interest in and to any awards that may be made for such taking.

k) As Is Sale. Other than the specific representations and warranties herein, including without limitation in Article VI and Article VII hereof, if any, County makes no representations, warranties, or promises regarding the Property, including as to environmental matters, and Company agrees to take the Property "as is, where is." Company represents to County that Company has conducted, or will conduct prior to Closing, such investigations of the Property as are desired by Company, including but not limited to, the physical and environmental conditions thereof, and will rely solely upon the same, together with the representations and warranties set forth in this Agreement. This provision shall survive Closing.

l) Environmental Matters. Company may obtain its own environmental assessment of the Property during the Inspection Period, but County makes no representations and warranties regarding environmental matters.

m) County Closing Contingencies. The obligations of the County to perform hereunder are contingent upon (i) approval of this Agreement by the Lancaster County Council; and (b) approval of the Fee in Lieu of Tax and Incentive Agreement by and among Lancaster

County, South Carolina, the Sponsor and the Sponsor Affiliate (the "FILOT Agreement") by the Lancaster County Council. The obligation of the County to convey the Property to the Company at Closing is contingent upon execution and delivery of the FILOT Agreement by the Sponsor and the Sponsor Affiliate (as those terms are defined in the FILOT Agreement) at Closing.

n) Closing Documents.

At Closing, County shall deliver, or cause to be delivered, to Company the following:

i) a duly executed and acknowledged limited warranty deed in recordable form conveying good, fee simple and marketable title to the Property subject only to the Permitted Exceptions and based on the Survey set forth above;

ii) affidavit of consideration to accompany the deed pursuant to S.C. Code 12-24-10 et seq.

iii) a duly executed lien affidavit satisfactory for the Title Company and the County to remove the mechanic's lien exception applicable to County (but not for liens created by Company) and the exception for the rights of parties in possession, and otherwise sufficient to allow the Title Company to delete all "pre-printed" exceptions on the Title Policy, except as allowed under the Permitted Encumbrances;

iv) such other documents as Company's counsel or the Title Company may reasonably request to evidence County's authority to execute and perform under this Agreement and to execute and deliver all documents conveying the Property to Company;

v) a certificate or affidavit (FIRPTA affidavit) given under penalty of perjury and on a form approved under temporary regulations promulgated under Section 1445 of the Internal Revenue Code of 1986, as amended, that County is not a foreign person;

vi) possession of the Property free of the rights and claims of others subject to the Permitted Encumbrances;

vii) a certificate from County stating that all of the representations and warranties of County set forth herein are true and correct as of the Closing Date;

viii) A Transferor Affidavit in the form approved by the SC Department of Revenue, executed by County attesting that the transfer is exempt from the requirements of South Carolina Code Section 12-54-124, as amended, if true and correct;

ix) a South Carolina residency affidavits for County required by South Carolina Code Section 12-8-580 (the SC I-295 Affidavit");

x) payoff letters from the holders of all Liens that encumber the Property, if any, in form and substance satisfactory to Company and Title Company;

xi) a form 1099;

xii) a gap indemnity agreement in form reasonably acceptable to Title Company and the County;

xiii) a closing statement for the subject transaction;

xiv) County shall use reasonable efforts to obtain an estoppel certificate with respect to compliance with, and payment of assessments under, any private restrictions or similar agreements related to the Property, dated within ten (10) business days of Closing;

xv) any and all documents and payments necessary to discharge and satisfy of record any and all Liens at or prior to Closing;

xvi) the duly executed FILOT Agreement signed by the County;

xvii) a fully executed Memorandum of Fee in Lieu of Tax and Incentive Agreement, suitable for recording in the Office of the Register of Deeds, in a form and content reasonably agreeable to both the County and the Company, which shall include, among other items: (a) a reference to the Due on Sale Payment provision in the FILOT Agreement; (b) confirmation that the Due on Sale Payment is not required in connection with a Financing Arrangement as set forth in the FILOT Agreement; (c) confirmation that the Due on Sale Payment is a contractual obligation of the Company or its authorized and approved assignee of the FILOT Agreement only and does not bind or run with the land; and (d) that the County has certain rights and remedies under the FILOT Agreement, related to the Due on Sale Payment and other matters set forth therein, but nothing contained in the Memorandum of Fee in Lieu of Tax and Incentive Agreement shall alter the rights, obligations, and remedies under the FILOT Agreement; and

xviii) such other documents and papers that may be reasonably necessary to the consummation of the transaction described in this Agreement or may be reasonably requested by Company or Company's counsel.

At Closing, Company shall deliver to County:

i) any outstanding balance of the Purchase Price due at Closing;

ii) the duly executed FILOT Agreement signed by the Sponsor and the Sponsor Affiliate;

a. a fully executed Memorandum of Fee in Lieu of Tax and Incentive Agreement, suitable for recording in the Office of the Register of Deeds, in a form and content reasonably agreeable to both the County and the Company, which shall include,

among other items: (a) a reference to the Due on Sale Payment provision in the FILOT Agreement; (b) confirmation that the Due on Sale Payment is not required in connection with a Financing Arrangement as set forth in the FILOT Agreement; (c) confirmation that the Due on Sale Payment is a contractual obligation of the Company or its authorized and approved assignee of the FILOT Agreement only and does not bind or run with the land; and (d) that the County has certain rights and remedies under the FILOT Agreement, related to the Due on Sale Payment and other matters set forth therein, but nothing contained in the Memorandum of Fee in Lieu of Tax and Incentive Agreement shall alter the rights, obligations, and remedies under the FILOT Agreement; and

iii) such other documents and papers as the County or its counsel may reasonably request to evidence the Company's authority to execute and perform under this Agreement and such other documents and papers that may be necessary to the consummation of the transaction described in this Agreement or that may be reasonably requested by County or County's counsel.

ARTICLE V. Defaults and Remedies.

i) In the event County defaults or fails to perform any of its conditions or obligations under this Agreement, through no fault of Company, or in the event any of the representations and warranties set forth herein are not materially true and correct as of the Effective Date and as of the Closing Date, the Company shall be entitled to (i) pursue an action for specific performance, or (ii) terminate this Agreement by giving written notice to County, and upon any termination of this Agreement by Company on such basis, Company shall be entitled to the recovery from County of all reasonable documented out-of-pocket fees, costs, and expenditures paid and/or incurred by Company pursuant to and/or in reliance upon this Agreement, up to a maximum amount of $25,000.00. In the event of a default or breach by Company of any of the covenants or conditions or obligations of Company under this Agreement prior to Closing, County may terminate this Agreement as its sole and exclusive remedy.

ARTICLE VI. Representations and Warranties of County.

County makes the following representations and warranties to Company:

a. County is the sole owner of good, marketable and insurable fee simple title to the Property;

b. No actions, suits or proceedings are pending or, to the best of County's knowledge, threatened before any court, governmental agency or arbitrator against or affecting County and/or the Property which may, in any one case or in the aggregate, materially and adversely affect the condition, value, usability, or title to the Property, or County's ability to perform hereunder;

c. There are no moratorium, ordinance, administrative action,

condemnation, eminent domain, rezoning, zoning or land development ordinance changes, or land-use proceedings or similar proceedings pending or, to the best of County's knowledge, threatened against or involving the Property or any portion thereof, or which could materially and adversely affect (i) vehicular access the Property; (ii) access to the Property to utilities; (iii) the proposed use of the Property by Company for distribution and light manufacturing (the "Proposed Use") or the land development/zoning standards for site planning and construction; or (iv) the condition, value, or title to the Property in any way. There is no pending, or to County's actual knowledge without investigation threatened, other litigation affecting the Property, and to the knowledge of the County, it has received no written notice thereof;

d. No payments for work, materials or improvements furnished to the Property will be due or owing at Closing except for those matters to be paid in the ordinary course of business, and no mechanics' liens, materialmen's liens or other similar liens shall be of record against the Property at Closing;

e. No other options, rights-of-first refusal, or contracts have been granted or entered into by County to a third party which are still outstanding and which give any other party a right to purchase any interest in the Property or any part thereof, and there are no outstanding written or oral agreements in place which may entitle any other person to develop or otherwise use any portion of the Property;

f. There are no outstanding leases, licenses or occupancy agreements (whether written or oral) of or affecting any portion of the Property;

g. The Property is not located within a special tax or assessments district or will otherwise be subject to special taxes or assessments for roadway, sewer, or water improvements or other public improvements except for the 50 mill assessment for the City of Lancaster to be imposed in accordance with the Intergovernmental Agreement dated as of January 8, 2008 between the County and the City of Lancaster.

h. There are no service, supply, maintenance, or any other agreements affecting the Property or the operation thereof.

i. At Closing, all utility (including sewer) charges payable, billed by respective utilities to County, have been or will be paid by County up to and through the Closing Date, and no utility is making any claims for any due or past due statements. The Property is not subject to ad valorem taxes and all such taxes assessed after Closing shall be the responsibility of Company.

j. Upon approval by County Council, the County will have full power and authority to convey the Property and to enter into and fully perform and comply with the terms of this Agreement. This Agreement and the conveyance of the Property contemplated herein and the performance of all obligations of the County hereunder are subject to approval by all requisite County Council action.

k. The execution, delivery and performance of this Agreement and the documents contemplated herein by County (i) does not to the best knowledge of County, conflict with or result in a violation of any law, rule, regulation, ordinance, agreement, judgment, writ, injunction, order or decree of any court, governmental authority or arbiter binding upon County or the Property or in any proceeding to which County is a party, (ii) does not, to the best knowledge of County, conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument which will remain in effect at Closing by which County or the Property is bound or to which County is a party, and (iii) does not require the consent of any other party other than County Council.

l. To its knowledge, County has received no written notice of any, and to County's actual knowledge there is no, material violation of any law, ordinance, rule or regulation or any private restriction or covenant applicable to the Property.

m. To its knowledge, County has not received written notice of any action pending or threatened by adjacent land owners or other persons, which would result in a material adverse change in zoning, land use, title, or the condition the Property or any part thereof or in any way prevent or limit in a materially adverse way, the construction and/or operation of any improvements thereon.

n. To the actual knowledge of the County, there are no unrecorded agreements, documents, or contracts, whether written or oral, affecting the Property other than this Agreement or Property Contracts.

s. All representations and warranties of County shall be materially true, accurate and complete as of Closing, and all covenants and agreements of County to be complied with or performed prior to or at Closing shall have been materially complied with and/or performed.

County will not cause or, to the best of its ability, permit any action to be taken which would cause any of the foregoing representations and warranties to be incomplete or untrue in any material respect as of the date of Closing. County agrees to notify Company immediately in writing of any event or condition which occurs prior to Closing which causes a material change in the facts or conditions set forth in any of County's foregoing representations and warranties, or which materially affects the truth or completeness of any such representations and warranties. Knowledge under this Agreement shall be the actual knowledge of the County Administrator, without a duty of investigation.

ARTICLE VII. Documents and Records to be Furnished by County.

Within five (5) business days of the Effective Date, County shall deliver to Company copies (including all exhibits) of any of the following documents in its physical possession and known to the County Administrator:

(a) Copies of any existing Phase I and/or Phase II Environmental Reports and any geotechnical or soil reports (collectively, the "Environmental Reports"); and

(b) Copies of all existing title insurance commitments, title insurance policies, exceptions to title reported therein, and surveys of the Property.

ARTICLE VIII. Miscellaneous.

a) Due Authorization. In addition to the other warranties and representations set forth herein, each party makes the following representation and warranties to the other: the execution, delivery and performance of this Agreement and the closing documents by such party and the execution, delivery and performance by each individual and/or entity signing this Agreement on behalf of such party shall have been duly authorized and approved by all requisite action on the part of such party. All representations and warranties of the parties set forth in this Agreement are true and correct as of the Effective Date and will be true and correct as of the Closing.

b) Protective Covenants. The Company acknowledges that the Property is subject to the Protective Covenants for the Lancaster Business Park, Lancaster, South Carolina, recorded in the Lancaster County office of the Register of Deeds in Bok R-11 at Page 132 (the "Protective Covenants"), a copy of which have been provided to Company. The existence of the Protective Covenants shall not constitute any breach of any warranty or representation by the County pursuant to this Agreement.

c) Notices. Any notice to be provided under this Agreement shall be effective (i) when delivered to the party named below or (ii) the day after it is deposited in Federal Express (or any other reputable national "next day" delivery service marked for next day delivery) or (iii) when delivered by the United States Postal Service, certified mail, return receipt requested, postage prepaid, or (iv) upon sending (with no bounceback), emailed, to the addressed as follows during normal business hours and days, provided that notice is also provided by (i) or (ii) (or addressed to such other address as any party shall have previously furnished in writing to the other party),:

IF TO THE COMPANY:

Bendfeldt Holdings LLC
Attn: Hartmut Bendfeldt
15008 Laurel Glenn Way
Indian Land, SC 29707
Telephone: 704-944-3232
Email: hbendfeldt@efactor3.com

WITH COPIES TO:

Womble Bond Dickinson (US) LLP
Attn: Amy Clayton
550 S. Main Street, Suite 400
Greenville, SC 29601
Telephone: 803-553-0331
Email: Amy.Clayton@wbd-us.com

IF TO COUNTY:
Lancaster County, SC
Attn: County Administrator
101 N. Main Street
Lancaster, SC 29720
Telephone: 803.285.1565
Email: dmarstall@lancastersc.net

WITH COPIES TO:
Burr & Forman LLP
Attn: Michael W. Burns, Esq. & Robin C. Stanton, Esq.
104 South Main Street, Suite 700
Greenville, SC 29601
Telephone: 864.271.4940
Email: mburns@burr.com
RStanton@burr.com

d) Binding Effect. This Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the parties hereto and to their respective successors and assigns.

e) 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.

f) 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 of South Carolina.

g) Severability. In case any one or more of the provisions contained in this Agreement should be deemed invalid, illegal, or unenforceable in any respect for any reason whatsoever, the validity, legality, or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

h) 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.

i) Amendments. The provisions of this Agreement may only be modified or amended in a writing executed by all parties.

j) Force Majeure. The parties agree that a force majeure, including but not limited to war or national emergency, natural disasters, strikes, lockouts, labor disputes, inability to procure or obtain or shortages in labor or materials, or reasonable substitutes, acts of God, hurricanes, natural disasters; governmental restrictions, regulations or controls, including without limitation in connection with local or national emergency and any

mandated closures required due to a pandemic, which includes, but is not limited to, closures arising from any actual or threatened public health emergency, including, but not limited to, epidemics, pandemic, famine, disease, plague, quarantine, and other health risk, including, but not limited, to health risks declared or recognized by the Centers for Disease Control, the World Health Organization, any governmental authority or other similar body or other public health event which results in the issuance of legal requirements to shelter in place; enemy or hostile governmental action or civil commotion; fire or other casualty; condemnation; acts of terrorism; or other similar conditions beyond the Company's reasonable control and could have a direct or indirect effect on the Company's ability to complete the Project as contemplated herein. In that event, the parties agree to negotiate amendments to this Agreement to make fair and reasonable adjustments to the Company's performance obligations therein.

k) Entire Understanding. This Agreement expresses the entire understanding and all agreements between the parties hereto with each other in relation to the conveyance of the Property, and no party hereto has made or shall be bound by any agreement or any representation to another party in connection with the conveyance of the Property which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof. In the case of any conflict or discrepancy between this Agreement and the exhibits and attachments hereto, this Agreement shall control. The provisions of this Agreement supersede and control any inconsistent or conflicting provision of Lancaster County Resolution No. 1244-R2023 adopted on September 11, 2023. The parties acknowledge they intend to enter into, and the Closing is contingent upon the execution and delivery of, the Fee in Lieu of Tax and Incentive Agreement dated the date of Closing by and among the County, the Sponsor, and the Sponsor Affiliate (as those terms are defined therein) . The parties also acknowledge that the County may have certain rights in connection with the Property pursuant to the Protective Covenants. .

l) Waiver. A party may waive compliance by the other party with any term or condition of this Agreement applicable to the party only in a writing signed by the affected waiving party.

m) Assignment. This Agreement shall not be assigned by County. The Company may assign its rights, interests, and obligations under this Agreement to an Affiliate (as such term is defined in the FILOT Agreement), without the consent of County, but upon notice and a copy of the assignment document. Any other assignment of this Agreement by Company requires the consent of the County.

n) Confidential Information.

(i) The Company agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all the Company's books and records pertaining to the Project. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by the Company to protect the Company's confidentiality

and proprietary rights, subject to any requirements applicable to the County pursuant to the South Carolina Freedom of Information Act. Any such entrance upon and examination and inspection of the Project shall be at the County's expense.

(ii) The County acknowledges and understands that the Company may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Company's operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Company and could have a significant detrimental impact on the Company's employees and also upon the County. Except as required by law, including, without limitation, the South Carolina Freedom of Information Act or court orders, the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Company, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Company and give the Company the opportunity to contest the release.

o) Administrative Expenses. The Company agrees to reimburse the County for its reasonable and necessary out-of-pocket expenses, including attorney's fees, incurred by County with respect to the review and preparation of this Agreement and other agreements and documents related to this Agreement.

p) Subsequent Action. The parties acknowledge and agree that various aspects of this Agreement may require subsequent action by the County, such as the passage of ordinances and the conducting of public hearings after notice. The parties agree to proceed to the accomplishment of the subsequent actions in a timely and effective manner subject at all times to the requirements of South Carolina law and the rules and procedures applicable to the respective entity.

SIGNATURES BEGIN ON NEXT PAGE.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the ___ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Dennis Marstall, County Administrator

ATTEST:

_____
Sherrie Simpson, Clerk to Council

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BENDFELDT HOLDINGS LLC, a South Carolina limited liability company

Signature: _____

Name: _____

Title: _____

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

EXHIBIT A

Lancaster Business Park – Property Designated for Project E3

An approximate 16.62 acre parcel located on Quality Drive in the Lancaster Business Park, currently identified as Lancaster County Tax Map No. 0061-00-104.00 as of the Effective Date.

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CONVEYANCE OF PROPERTY AGREEMENT

THIS CONVEYANCE OF PROPERTY AGREEMENT (the "Agreement") is hereby made and entered into as of this ___ day of _____, 2023 (the "Effective Date"), by and among BENDFELDT HOLDINGS LLC, a South Carolina limited liability company (the "Company") and LANCASTER COUNTY, SOUTH CAROLINA (the "County").

WITNESSETH:

WHEREAS, the County currently owns certain Property (as defined below), and has undertaken site improvements thereon, with the goal of promoting economic development, capital investment, and job creation in the County; and

WHEREAS, the Company proposes to acquire the Property from the County, and to construct thereon one or more buildings and other improvements for the purpose of establishing a distribution facility (the "Project"); and

WHEREAS, the County has agreed to convey the Property to the Company in order to facilitate the capital investment and job creation represented by the Project in the County; and

WHEREAS, the purpose of this Agreement is to set forth the respective expectations and obligations of the parties in connection with the Project and the conveyance of the Property to the Company.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the mutual promises and covenants contained herein and for other valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. Project Overview.

In connection with the Project, the Company proposes to construct an approximately 30,000 square foot facility (the "Facility"), on an approximate 16.62 acre tract of land, identified on Exhibit A attached hereto (the "Property"), and located on Quality Drive in the Lancaster Business Park (the "Business Park").

ARTICLE II. INTENTIONALLY DELETED.

ARTICLE III. INTENTIONALLY DELETED.

ARTICLE IV. Land Conveyance.

a) Subject to the other terms of this Agreement, the County will convey the Property to the Company for one hundred dollars ($100.00) (the "Purchase Price") within ten business (10) days of receipt of a written request by the Company (the "Closing"). The Closing shall occur no later than thirty (30) days after expiration of the Inspection Period, unless extended as otherwise provided herein (the "Closing Date"). Notwithstanding anything else set forth herein, the Closing shall occur on or before the date which is eighteen (18) months after the Effective Date of this Agreement (the "Outside Closing Date"). In the event the transaction contemplated herein has not closed by the Outside Closing Date, the County may, in its sole discretion, terminate this contract and the parties shall have no further obligations hereunder to each other.

b) Company may obtain a physical and boundary survey of the Property (the "Survey") and submit same to County for approval. The cost of any Survey shall be borne by Company. The legal description at Closing shall be based on the Survey and at Company's option, also the legal description pursuant to which County took title to the Property. Company shall be responsible for any applications and approvals necessary for approval of any subdivision necessary for the Property to be assigned a separate tax map number and subdivision approval by the County Planning Department.

c) At the Closing, County shall deliver, or cause to be delivered, to Company a limited warranty deed in form and content reasonably satisfactory to Company's counsel, conveying to Company title to the Property, such title to be insurable both as to fee and marketability at regular rates by a title insurance company of Company's choice (the "Title Company"), subject only to the Permitted Exceptions (as defined below).

d) The Property shall be conveyed by County to Company free and clear of all liens, encumbrances, claims, rights-of-way, easements, leases, restrictions and restrictive covenants, except Permitted Exceptions. For purposes of this Article IV(d), the term "Title Exceptions" shall mean any defects in, interests in, exceptions to, or conditions, liens, encumbrances or other matters of record relating to the title to the Property, whether evidenced by written instrument, disclosed on a survey or otherwise evidenced; any encroachments upon or by the Property; any boundary disputes regarding the boundaries of the Property; and the terms, provisions and conditions set forth in any instruments evidencing or referring to any such defects, exceptions, conditions, liens, encumbrances, overlaps, encroachments or boundary disputes or other matters, any matters relating to the zoning or land development process for the Property, which materially interfere with the Company's intended use or development of the Property. During the Inspection Period (as defined in Article IV(e)), Company shall have the right to study and investigate the title to the Property (including the Survey and zoning) to the extent it deems necessary. Company shall have the right to make objections to any Title Exception (collectively, the "Objections") on or prior to the end of the Inspection Period.

In the event Company notifies County of any Objections, then County shall have fifteen (15) business days after the receipt of such notice within which to notify Company as to whether County will cure any or all of the Objections. If County does not respond within such fifteen (15) day period, then County shall be deemed to have elected not to cure any of Company's Objections. In the event County affirmatively elects to cure any of the Objections, then County, at County's sole cost and expense, shall do so within thirty (30) days after receipt of the Objections as a covenant of County hereunder. In the event County elects not to cure any of the Objections or is unable to cure any of the Objections in the time period provided, then Company shall have the right (exercisable within ten (10) days after receipt of notice of County's election or the lapse of the fifteen (15) day period specified above) to either (i) terminate this Agreement, (ii) waive the uncured Objections and close under the terms of this Agreement or (iii) waive the uncured Objections and extend the Closing Date for a reasonable period of time to enable County to cure any Objections that County is attempting to cure, such extension term to be agreed upon in writing by County and Company. Those Title Exceptions to which Company has not objected or which Company accepts in writing shall herein collectively be referred to as the "Permitted Exceptions." Notwithstanding anything set forth herein to the contrary, in no event shall Company have any obligation to object to any judgment, mechanic's lien, materialman's lien, mortgage or deed of trust lien ("Liens") or any Title Exception arising on or after the Effective Date and unless specifically consented to in writing by Company, such items shall in no event be Permitted Exceptions unless resulting from Company's due diligence, and the County shall cause the same to be released, removed, or satisfied of record pursuant to documents approved by the Company on or before the Closing Date.

e) Inspection Period.

i. For purposes hereof, the "Inspection Period" shall be the period commencing on the Effective Date and ending on such date which is ninety (90) days after the Effective Date.

ii. Company, with County's reasonable cooperation, shall have the right to make all such inspections of the Property as Company deems desirable prior to Closing. Company agrees to indemnify and hold County harmless from all liabilities, claims, damages, liens, costs and expenses (including reasonable attorneys' fees) in connection with its inspection of the Property. Company is authorized to conduct customary environmental inspections of the Property, including without limitation a Phase I Environmental Site Assessment and if recommend by such Phase I, upon prior written approval from the County (such approval not to be unreasonably withheld), then a Phase II Environmental Site Assessment (including soil borings and similar investigations), geotechnical evaluation (including soil borings), wetlands evaluation, protected/endangered species and historical/cultural resources evaluation. Notwithstanding anything set forth herein to the contrary, Company shall in no event be liable to County or any other party for any reduction in the value of the Property caused by Company's discovery of any condition or state of facts affecting the Property, such as the existence of any hazardous substances or materials on the Property. The County agrees to provide

to the Company, without charge, within five (5) business days of execution of this Agreement, copies of any environmental reports, boundary surveys, title commitments and/or policies, and geotechnical data in its possession. Company acknowledges that County cannot give Company any right to rely on such reports and documents. The indemnification provisions of this Article IV(e)(ii) survive Closing and the termination of this Agreement. Company shall not disclose the results of any environmental testing to any governmental agency unless required to do so by law or regulation and the Company has given the County five (5) days written notice.

iii. Prior to the expiration of the Inspection Period, Company may, for any reason or for no reason, elect to terminate this Agreement by giving written notice of such decision to County. In the event such notice of termination is given, then the Company and the County shall not have any remaining obligation or liability to the other except as to the indemnity provisions set forth in Article IV(e)(ii) above. In the event this Agreement is terminated or Company does not close on the Property for any reason other than the default of the County, the Company shall deliver and assign to the County copies of all due diligence materials with respect to the Property.

iv. Company's obligations hereunder are contingent on (i) there being no material change to the physical condition of the Property or any new Title Exceptions arising between the Effective Date and Closing, (ii) County's performance of all obligations of County hereunder required to be performed on or before the Closing Date, (iii) the continued truth, accuracy, and completeness of all of County's representations and warranties set forth in this Agreement, and (iv) Company has received all required permits, licenses, and approvals from the County to allow Company to initiate construction on the Property (if any of the foregoing items (i) through (iv) only are incorrect or have not occurred, a "Changed Condition"). In the event that any such Changed Condition other than (iv) above is identified by Company prior to Closing, Company shall provide County with written notice thereof and County shall have fifteen (15) days, or such longer period as is necessary as long as County has commenced and is diligently pursuing cure, from the date of receipt of such notice to cure such Changed Condition, and thereafter if County has not cured such Changed Condition to the reasonable satisfaction of Company, Company shall be entitled to terminate this Agreement by giving written notice to County. If Changed Condition (iv) above is identified by Company prior to Closing, Company shall be entitled to extend the Closing Date until such time as Changed Condition (iv) is satisfied and if not satisfied within sixty (60) days of the originally scheduled Closing Date, Company shall be entitled, but shall not be required, to terminate this Agreement by giving written notice to County or the Company can continue to extend the Closing Date until (iv) is satisfied.

f) Closing Costs. County shall prepare the limited warranty deed to the Property at County's cost, which deed shall be subject to the reasonable approval of Company. Company shall pay for the transfer tax/documentary stamps pursuant to SC Code §12-24-

20(B). County shall pay for the cost of discharging any mortgage, lien or title encumbrance other than those resulting from Company's actions or otherwise permitted hereunder. Company shall be responsible for the cost of recording the deed and any other instruments to be recorded under the terms of this Agreement. Company shall pay for the cost of any title exam and title insurance premiums Company elects to purchase and the cost of Company's environmental and other due diligence. Except as otherwise provided herein, each party shall bear its own costs and expenses, including its own attorneys' fees.

g) Settlement Adjustments. Unless otherwise specified in this Agreement, all expenses and costs related to the Property shall be prorated as of the Closing Date.

h) Covenants of County. Until the Closing, (i) County shall continue to maintain the Property in good condition and repair, ordinary wear and tear alone excepted, and shall not cause or permit any waste respecting the Property and (ii) County shall not take any action that would adversely affect the value or title to the Property or place, consent or permit any lien, judgment or other encumbrance to affect title to the Property, or cause any Changed Condition, as provided in Article IV(e)(iv) above.

i) Brokerage Commission. Company and County each represent and warrant to the other that it has not dealt with any agent, realtor or broker in connection with this transaction. This Article IV(i) shall survive the Closing.

j) Eminent Domain. If, prior to the Closing, all or any part of the Property is taken by eminent domain or if condemnation proceedings are commenced, Company shall have the option, by giving written notice to County, to terminate this Agreement. If Company does not so elect to terminate this Agreement, the Agreement shall remain in full force and effect and County shall assign, transfer and set over to Company at the Closing all of County's right, title and interest in and to any awards that may be made for such taking.

k) As Is Sale. Other than the specific representations and warranties herein, including without limitation in Article VI and Article VII hereof, if any, County makes no representations, warranties, or promises regarding the Property, including as to environmental matters, and Company agrees to take the Property "as is, where is." Company represents to County that Company has conducted, or will conduct prior to Closing, such investigations of the Property as are desired by Company, including but not limited to, the physical and environmental conditions thereof, and will rely solely upon the same, together with the representations and warranties set forth in this Agreement. This provision shall survive Closing.

l) Environmental Matters. Company may obtain its own environmental assessment of the Property during the Inspection Period, but County makes no representations and warranties regarding environmental matters.

m) County Closing Contingencies. The obligations of the County to perform hereunder are contingent upon (i) approval of this Agreement by the Lancaster County Council; and (b) approval of the Fee in Lieu of Tax and Incentive Agreement by and among Lancaster

County, South Carolina, the Sponsor and the Sponsor Affiliate (the "FILOT Agreement") by the Lancaster County Council. The obligation of the County to convey the Property to the Company at Closing is contingent upon execution and delivery of the FILOT Agreement by the Sponsor and the Sponsor Affiliate (as those terms are defined in the FILOT Agreement) at Closing.

n) Closing Documents.

At Closing, County shall deliver, or cause to be delivered, to Company the following:

i) a duly executed and acknowledged limited warranty deed in recordable form conveying good, fee simple and marketable title to the Property subject only to the Permitted Exceptions and based on the Survey set forth above;

ii) affidavit of consideration to accompany the deed pursuant to S.C. Code 12-24-10 et seq.

iii) a duly executed lien affidavit satisfactory for the Title Company and the County to remove the mechanic's lien exception applicable to County (but not for liens created by Company) and the exception for the rights of parties in possession, and otherwise sufficient to allow the Title Company to delete all "pre-printed" exceptions on the Title Policy, except as allowed under the Permitted Encumbrances;

iv) such other documents as Company's counsel or the Title Company may reasonably request to evidence County's authority to execute and perform under this Agreement and to execute and deliver all documents conveying the Property to Company;

v) a certificate or affidavit (FIRPTA affidavit) given under penalty of perjury and on a form approved under temporary regulations promulgated under Section 1445 of the Internal Revenue Code of 1986, as amended, that County is not a foreign person;

vi) possession of the Property free of the rights and claims of others subject to the Permitted Encumbrances;

vii) a certificate from County stating that all of the representations and warranties of County set forth herein are true and correct as of the Closing Date;

viii) A Transferor Affidavit in the form approved by the SC Department of Revenue, executed by County attesting that the transfer is exempt from the requirements of South Carolina Code Section 12-54-124, as amended, if true and correct;

ix) a South Carolina residency affidavits for County required by South Carolina Code Section 12-8-580 (the SC I-295 Affidavit");

x) payoff letters from the holders of all Liens that encumber the Property, if any, in form and substance satisfactory to Company and Title Company;

xi) a form 1099;

xii) a gap indemnity agreement in form reasonably acceptable to Title Company and the County;

xiii) a closing statement for the subject transaction;

xiv) County shall use reasonable efforts to obtain an estoppel certificate with respect to compliance with, and payment of assessments under, any private restrictions or similar agreements related to the Property, dated within ten (10) business days of Closing;

xv) any and all documents and payments necessary to discharge and satisfy of record any and all Liens at or prior to Closing;

xvi) the duly executed FILOT Agreement signed by the County;

xvii) a fully executed Memorandum of Fee in Lieu of Tax and Incentive Agreement, suitable for recording in the Office of the Register of Deeds, in a form and content reasonably agreeable to both the County and the Company, which shall include, among other items: (a) a reference to the Due on Sale Payment provision in the FILOT Agreement; (b) confirmation that the Due on Sale Payment is not required in connection with a Financing Arrangement as set forth in the FILOT Agreement; (c) confirmation that the Due on Sale Payment is a contractual obligation of the Company or its authorized and approved assignee of the FILOT Agreement only and does not bind or run with the land; and (d) that the County has certain rights and remedies under the FILOT Agreement, related to the Due on Sale Payment and other matters set forth therein, but nothing contained in the Memorandum of Fee in Lieu of Tax and Incentive Agreement shall alter the rights, obligations, and remedies under the FILOT Agreement; and

xviii) such other documents and papers that may be reasonably necessary to the consummation of the transaction described in this Agreement or may be reasonably requested by Company or Company's counsel.

At Closing, Company shall deliver to County:

i) any outstanding balance of the Purchase Price due at Closing;

ii) the duly executed FILOT Agreement signed by the Sponsor and the Sponsor Affiliate;

a. a fully executed Memorandum of Fee in Lieu of Tax and Incentive Agreement, suitable for recording in the Office of the Register of Deeds, in a form and content reasonably agreeable to both the County and the Company, which shall include,

among other items: (a) a reference to the Due on Sale Payment provision in the FILOT Agreement; (b) confirmation that the Due on Sale Payment is not required in connection with a Financing Arrangement as set forth in the FILOT Agreement; (c) confirmation that the Due on Sale Payment is a contractual obligation of the Company or its authorized and approved assignee of the FILOT Agreement only and does not bind or run with the land; and (d) that the County has certain rights and remedies under the FILOT Agreement, related to the Due on Sale Payment and other matters set forth therein, but nothing contained in the Memorandum of Fee in Lieu of Tax and Incentive Agreement shall alter the rights, obligations, and remedies under the FILOT Agreement; and

iii) such other documents and papers as the County or its counsel may reasonably request to evidence the Company's authority to execute and perform under this Agreement and such other documents and papers that may be necessary to the consummation of the transaction described in this Agreement or that may be reasonably requested by County or County's counsel.

ARTICLE V. Defaults and Remedies.

i) In the event County defaults or fails to perform any of its conditions or obligations under this Agreement, through no fault of Company, or in the event any of the representations and warranties set forth herein are not materially true and correct as of the Effective Date and as of the Closing Date, the Company shall be entitled to (i) pursue an action for specific performance, or (ii) terminate this Agreement by giving written notice to County, and upon any termination of this Agreement by Company on such basis, Company shall be entitled to the recovery from County of all reasonable documented out-of-pocket fees, costs, and expenditures paid and/or incurred by Company pursuant to and/or in reliance upon this Agreement, up to a maximum amount of $25,000.00. In the event of a default or breach by Company of any of the covenants or conditions or obligations of Company under this Agreement prior to Closing, County may terminate this Agreement as its sole and exclusive remedy.

ARTICLE VI. Representations and Warranties of County.

County makes the following representations and warranties to Company:

a. County is the sole owner of good, marketable and insurable fee simple title to the Property;

b. No actions, suits or proceedings are pending or, to the best of County's knowledge, threatened before any court, governmental agency or arbitrator against or affecting County and/or the Property which may, in any one case or in the aggregate, materially and adversely affect the condition, value, usability, or title to the Property, or County's ability to perform hereunder;

c. There are no moratorium, ordinance, administrative action,

condemnation, eminent domain, rezoning, zoning or land development ordinance changes, or land-use proceedings or similar proceedings pending or, to the best of County's knowledge, threatened against or involving the Property or any portion thereof, or which could materially and adversely affect (i) vehicular access the Property; (ii) access to the Property to utilities; (iii) the proposed use of the Property by Company for distribution and light manufacturing (the "Proposed Use") or the land development/zoning standards for site planning and construction; or (iv) the condition, value, or title to the Property in any way. There is no pending, or to County's actual knowledge without investigation threatened, other litigation affecting the Property, and to the knowledge of the County, it has received no written notice thereof;

d. No payments for work, materials or improvements furnished to the Property will be due or owing at Closing except for those matters to be paid in the ordinary course of business, and no mechanics' liens, materialmen's liens or other similar liens shall be of record against the Property at Closing;

e. No other options, rights-of-first refusal, or contracts have been granted or entered into by County to a third party which are still outstanding and which give any other party a right to purchase any interest in the Property or any part thereof, and there are no outstanding written or oral agreements in place which may entitle any other person to develop or otherwise use any portion of the Property;

f. There are no outstanding leases, licenses or occupancy agreements (whether written or oral) of or affecting any portion of the Property;

g. The Property is not located within a special tax or assessments district or will otherwise be subject to special taxes or assessments for roadway, sewer, or water improvements or other public improvements except for the 50 mill assessment for the City of Lancaster to be imposed in accordance with the Intergovernmental Agreement dated as of January 8, 2008 between the County and the City of Lancaster.

h. There are no service, supply, maintenance, or any other agreements affecting the Property or the operation thereof.

i. At Closing, all utility (including sewer) charges payable, billed by respective utilities to County, have been or will be paid by County up to and through the Closing Date, and no utility is making any claims for any due or past due statements. The Property is not subject to ad valorem taxes and all such taxes assessed after Closing shall be the responsibility of Company.

j. Upon approval by County Council, the County will have full power and authority to convey the Property and to enter into and fully perform and comply with the terms of this Agreement. This Agreement and the conveyance of the Property contemplated herein and the performance of all obligations of the County hereunder are subject to approval by all requisite County Council action.

k. The execution, delivery and performance of this Agreement and the documents contemplated herein by County (i) does not to the best knowledge of County, conflict with or result in a violation of any law, rule, regulation, ordinance, agreement, judgment, writ, injunction, order or decree of any court, governmental authority or arbiter binding upon County or the Property or in any proceeding to which County is a party, (ii) does not, to the best knowledge of County, conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument which will remain in effect at Closing by which County or the Property is bound or to which County is a party, and (iii) does not require the consent of any other party other than County Council.

l. To its knowledge, County has received no written notice of any, and to County's actual knowledge there is no, material violation of any law, ordinance, rule or regulation or any private restriction or covenant applicable to the Property.

m. To its knowledge, County has not received written notice of any action pending or threatened by adjacent land owners or other persons, which would result in a material adverse change in zoning, land use, title, or the condition the Property or any part thereof or in any way prevent or limit in a materially adverse way, the construction and/or operation of any improvements thereon.

n. To the actual knowledge of the County, there are no unrecorded agreements, documents, or contracts, whether written or oral, affecting the Property other than this Agreement or Property Contracts.

s. All representations and warranties of County shall be materially true, accurate and complete as of Closing, and all covenants and agreements of County to be complied with or performed prior to or at Closing shall have been materially complied with and/or performed.

County will not cause or, to the best of its ability, permit any action to be taken which would cause any of the foregoing representations and warranties to be incomplete or untrue in any material respect as of the date of Closing. County agrees to notify Company immediately in writing of any event or condition which occurs prior to Closing which causes a material change in the facts or conditions set forth in any of County's foregoing representations and warranties, or which materially affects the truth or completeness of any such representations and warranties. Knowledge under this Agreement shall be the actual knowledge of the County Administrator, without a duty of investigation.

ARTICLE VII. Documents and Records to be Furnished by County.

Within five (5) business days of the Effective Date, County shall deliver to Company copies (including all exhibits) of any of the following documents in its physical possession and known to the County Administrator:

(a) Copies of any existing Phase I and/or Phase II Environmental Reports and any geotechnical or soil reports (collectively, the "Environmental Reports"); and

(b) Copies of all existing title insurance commitments, title insurance policies, exceptions to title reported therein, and surveys of the Property.

ARTICLE VIII. Miscellaneous.

a) Due Authorization. In addition to the other warranties and representations set forth herein, each party makes the following representation and warranties to the other: the execution, delivery and performance of this Agreement and the closing documents by such party and the execution, delivery and performance by each individual and/or entity signing this Agreement on behalf of such party shall have been duly authorized and approved by all requisite action on the part of such party. All representations and warranties of the parties set forth in this Agreement are true and correct as of the Effective Date and will be true and correct as of the Closing.

b) Protective Covenants. The Company acknowledges that the Property is subject to the Protective Covenants for the Lancaster Business Park, Lancaster, South Carolina, recorded in the Lancaster County office of the Register of Deeds in Bok R-11 at Page 132 (the "Protective Covenants"), a copy of which have been provided to Company. The existence of the Protective Covenants shall not constitute any breach of any warranty or representation by the County pursuant to this Agreement.

c) Notices. Any notice to be provided under this Agreement shall be effective (i) when delivered to the party named below or (ii) the day after it is deposited in Federal Express (or any other reputable national "next day" delivery service marked for next day delivery) or (iii) when delivered by the United States Postal Service, certified mail, return receipt requested, postage prepaid, or (iv) upon sending (with no bounceback), emailed, to the addressed as follows during normal business hours and days, provided that notice is also provided by (i) or (ii) (or addressed to such other address as any party shall have previously furnished in writing to the other party),:

IF TO THE COMPANY:

Bendfeldt Holdings LLC
Attn: Hartmut Bendfeldt
15008 Laurel Glenn Way
Indian Land, SC 29707
Telephone: 704-944-3232
Email: hbendfeldt@efactor3.com

WITH COPIES TO:

Womble Bond Dickinson (US) LLP
Attn: Amy Clayton
550 S. Main Street, Suite 400
Greenville, SC 29601
Telephone: 803-553-0331
Email: Amy.Clayton@wbd-us.com

IF TO COUNTY:
Lancaster County, SC
Attn: County Administrator
101 N. Main Street
Lancaster, SC 29720
Telephone: 803.285.1565
Email: dmarstall@lancastersc.net

WITH COPIES TO:
Burr & Forman LLP
Attn: Michael W. Burns, Esq. & Robin C. Stanton, Esq.
104 South Main Street, Suite 700
Greenville, SC 29601
Telephone: 864.271.4940
Email: mburns@burr.com
RStanton@burr.com

d) Binding Effect. This Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the parties hereto and to their respective successors and assigns.

e) 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.

f) 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 of South Carolina.

g) Severability. In case any one or more of the provisions contained in this Agreement should be deemed invalid, illegal, or unenforceable in any respect for any reason whatsoever, the validity, legality, or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

h) 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.

i) Amendments. The provisions of this Agreement may only be modified or amended in a writing executed by all parties.

j) Force Majeure. The parties agree that a force majeure, including but not limited to war or national emergency, natural disasters, strikes, lockouts, labor disputes, inability to procure or obtain or shortages in labor or materials, or reasonable substitutes, acts of God, hurricanes, natural disasters; governmental restrictions, regulations or controls, including without limitation in connection with local or national emergency and any

mandated closures required due to a pandemic, which includes, but is not limited to, closures arising from any actual or threatened public health emergency, including, but not limited to, epidemics, pandemic, famine, disease, plague, quarantine, and other health risk, including, but not limited, to health risks declared or recognized by the Centers for Disease Control, the World Health Organization, any governmental authority or other similar body or other public health event which results in the issuance of legal requirements to shelter in place; enemy or hostile governmental action or civil commotion; fire or other casualty; condemnation; acts of terrorism; or other similar conditions beyond the Company's reasonable control and could have a direct or indirect effect on the Company's ability to complete the Project as contemplated herein. In that event, the parties agree to negotiate amendments to this Agreement to make fair and reasonable adjustments to the Company's performance obligations therein.

k) Entire Understanding. This Agreement expresses the entire understanding and all agreements between the parties hereto with each other in relation to the conveyance of the Property, and no party hereto has made or shall be bound by any agreement or any representation to another party in connection with the conveyance of the Property which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof. In the case of any conflict or discrepancy between this Agreement and the exhibits and attachments hereto, this Agreement shall control. The provisions of this Agreement supersede and control any inconsistent or conflicting provision of Lancaster County Resolution No. 1244-R2023 adopted on September 11, 2023. The parties acknowledge they intend to enter into, and the Closing is contingent upon the execution and delivery of, the Fee in Lieu of Tax and Incentive Agreement dated the date of Closing by and among the County, the Sponsor, and the Sponsor Affiliate (as those terms are defined therein) . The parties also acknowledge that the County may have certain rights in connection with the Property pursuant to the Protective Covenants. .

l) Waiver. A party may waive compliance by the other party with any term or condition of this Agreement applicable to the party only in a writing signed by the affected waiving party.

m) Assignment. This Agreement shall not be assigned by County. The Company may assign its rights, interests, and obligations under this Agreement to an Affiliate (as such term is defined in the FILOT Agreement), without the consent of County, but upon notice and a copy of the assignment document. Any other assignment of this Agreement by Company requires the consent of the County.

n) Confidential Information.

(i) The Company agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all the Company's books and records pertaining to the Project. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by the Company to protect the Company's confidentiality

and proprietary rights, subject to any requirements applicable to the County pursuant to the South Carolina Freedom of Information Act. Any such entrance upon and examination and inspection of the Project shall be at the County's expense.

(ii) The County acknowledges and understands that the Company may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Company's operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Company and could have a significant detrimental impact on the Company's employees and also upon the County. Except as required by law, including, without limitation, the South Carolina Freedom of Information Act or court orders, the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Company, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Company and give the Company the opportunity to contest the release.

o) Administrative Expenses. The Company agrees to reimburse the County for its reasonable and necessary out-of-pocket expenses, including attorney's fees, incurred by County with respect to the review and preparation of this Agreement and other agreements and documents related to this Agreement.

p) Subsequent Action. The parties acknowledge and agree that various aspects of this Agreement may require subsequent action by the County, such as the passage of ordinances and the conducting of public hearings after notice. The parties agree to proceed to the accomplishment of the subsequent actions in a timely and effective manner subject at all times to the requirements of South Carolina law and the rules and procedures applicable to the respective entity.

SIGNATURES BEGIN ON NEXT PAGE.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the ___ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Dennis Marstall, County Administrator

ATTEST:

_____
Sherrie Simpson, Clerk to Council

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BENDFELDT HOLDINGS LLC, a South Carolina limited liability company

Signature: _____

Name: _____

Title: _____

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EXHIBIT A

Lancaster Business Park – Property Designated for Project E3

An approximate 16.62 acre parcel located on Quality Drive in the Lancaster Business Park, currently identified as Lancaster County Tax Map No. 0061-00-104.00 as of the Effective Date.

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The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-283-1133

NOTICE OF PUBLIC HEARING

Lancaster County Council

A public hearing has been scheduled by the Lancaster County Council for Monday, October 9, 2023, at 6:00 p.m. in the Lancaster County Council Chambers, second floor, County Administration Building, 101 North Main Street, Lancaster, South Carolina, or at such other location in or around the complex posted at the main entrance. The purpose of the public hearing is to receive public comment on **Ordinance No. 2023-1866,** an ordinance titled **"AN ORDINANCE TO AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BY AND AMONG LANCASTER COUNTY, SOUTH CAROLINA, EFACTOR3 LLC AND BENDFELDT HOLDINGS LLC (COMPANIES FORMERLY KNOWN TO THE COUNTY AS PROJECT E3) PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND; TO APPROVE A PROPERTY CONVEYANCE AGREEMENT RELATING TO THE CONVEYANCE OF APPROXIMATELY 16.62 ACRES OF REAL PROPERTY OWNED BY LANCASTER COUNTY AND LOCATED IN THE LANCASTER BUSINESS PARK TO EFACTOR3 LLC, BENDFELDT HOLDINGS LLC OR AN ENTITY TO BE DESIGNATED BY IT; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO."** Public comments may be made in person at the hearing or submitted in written format to be provided to County Council at the public hearing. Comments made in person or in writing should be limited to three (3) minutes in duration if read aloud. Written comments may be submitted either by online submission by selecting the "public hearing comments" quick link located on the county website homepage (https://www.mylancastersc.org/), by email to ssimpson@lancastersc.net, or by mail addressed to Clerk to Council at Post Office Box 1809, Lancaster, SC 29721 with the Ordinance number or other appropriate identifier clearly referenced in the communication. At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee or by submission of written comments.

I hereby certify that on the above notice published in The Lancaster News, a general circulation in Lancaster County, South Carolina, in accordance with law on September 23rd 2023.

SWORN to before me this 29th day of September 2023

Ashley L Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027

Ashley L Johnson NOTARY PUBLIC SOUTH CAROLINA

Newspaper Rep Signature

Agenda Item Summary

Ordinance # / Resolution #: Resolution 1253-R2023
Contact Person / Sponsor: Brian Fulk / Economic Development
Department: Economic Development
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Council is being asked to approve the Inducement Resolution for Project Lathe, which (1) provides Special Source Revenue Credits with respect to the Project and, (2) includes the location of the Project in a Multi-County Park established pursuant to the Multi-County Park (MCP) Act.

This project has a companion Ordinance which is Ordinance number 2023-1878.

Points to Consider:
The Project is expected to result in the aggregate investment in real and personal property of at least approximately $2,500,000. The associated FILOT Agreement will be for 20 years and a 50% Special Source Revenue Credit (SSRC) for 5 years is included.

Funding and Liability Factors:
The funding and liability factors are detailed in the FILOT-Special Source Credit Agreement attached to Ordinance 2023-1878.

Recommendation:
Approve the Inducement Resolution.

ATTACHMENTS:

Description	Upload Date	Type
Resolution 1253-R2023	10/2/2023	Resolution

STATE OF SOUTH CAROLINA)
) **RESOLUTION 1253-R2023**
COUNTY OF LANCASTER)

A RESOLUTION

TO STATE THE COMMITMENT OF LANCASTER COUNTY TO ENTER INTO A FEE AGREEMENT WITH PROJECT LATHE INCLUDING THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO PROVIDE THE GENERAL TERMS OF THE FEE AGREEMENT; AND TO PROVIDE THAT THIS RESOLUTION IS AN INDUCEMENT RESOLUTION FOR PURPOSES OF THE FEE IN LIEU OF TAX SIMPLIFICATION ACT; AND TO STATE THE COMMITMENT OF LANCASTER COUNTY TO PLACE PROPERTY OWNED OR LEASED BY PROJECT LATHE IN A MULTI-COUNTY PARK.

WHEREAS, Lancaster County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered, under and pursuant to the provisions of Title 12, Chapter 44 (the "Fee in Lieu of Tax Simplification Act" or "FILOT Act"), Code of Laws of South Carolina 1976, as amended (the "Code"), to enter into agreements with business and commercial enterprises, to offer certain privileges, benefits and incentives as inducements for economic development within the County; to acquire, or cause to be acquired, properties as may be defined as "projects" in the FILOT Act and to enter into agreements with business and commercial enterprises to facilitate the construction, operation, maintenance and improvement of such projects; to enter into or allow financing agreements with respect to such projects; and to accept any grants for such projects, whereby the business or commercial enterprise would pay fees-in-lieu-of taxes ("FILOT") with respect to qualified business or commercial projects; through all such powers, the business and commercial development of the State of South Carolina (the "State") will be promoted and trade developed by inducing business and commercial enterprises to locate or remain in the State and thus utilize and employ the workforce, products and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally;

WHEREAS, the County, acting by and through its Council, is authorized and empowered to establish multicounty industrial or business parks (each, an "MCP") pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina, and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code (the "MCP Act") to further the investment of capital and the creation of jobs in the County;

WHEREAS, Section 4-1-175 of the MCP Act, and Section 4-29-68 of the Code authorizes the Council to provide special source revenue credits ("SSRCs") that are applied against FILOT payments made pursuant to MCP Act to reimburse a project for the costs of designing, acquiring, constructing, improving or expanding, among other things (*i*) infrastructure serving the project, or (*ii*) improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise;

WHEREAS, Project Lathe, a South Carolina corporation (the "Company"), is considering the acquisition, construction and installation of a project upon certain property within the County (the "Project"), *provided, that,* the County enters into certain incentive arrangements with the Company as set forth herein;

WHEREAS, the Project is expected to result in the aggregate investment in real and personal property of at least $2,500,000 in the Project in the County;

WHEREAS, the Company has requested that the County (i) enter into an agreement for the Project, thereby providing for certain FILOT incentives with respect to the Project ("Fee Agreement"), (ii) provide SSRCs with respect to the Project, and (iii) include the location of the Project in an MCP established pursuant to the MCP Act;

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

WHEREAS, the Council intends by this Resolution to commit to the Company to (i) enter into a Fee Agreement for the Project that provides FILOT and SSRC incentives, and (ii) include the Project property in an MCP established pursuant to the MCP Act.

NOW, THEREFORE, BE IT RESOLVED by the Council of Lancaster County, South Carolina:

1. The adoption of this resolution is an official action by the Council to identify, reflect and induce the Project under the FILOT Act. For purposes of the FILOT Act, this Resolution is an "Inducement Resolution." For purposes of Section 12-44-110 of the FILOT Act, this Resolution constitutes preliminary approval by the County prior to the execution of a Fee Agreement.

2. Council commits to enter into a negotiated FILOT and SSRC arrangement for the Project, the terms of which shall be set forth in a Fee Agreement in form and manner satisfactory to the County and the Company containing substantially the following terms:

a. an initial Investment Period, as defined in the FILOT Act, which shall end on December 31 of the fifth year after the first year in which any portion of the Project is first placed in service;

b. the Company's commitment to invest, or cause investment of, at least $2,500,000, in the aggregate, by itself and/or any sponsor or sponsor affiliates (as defined in the FILOT Act) in the Project not later than the end of the initial Investment Period (the "Minimum Contractual Investment Requirement"); provided, (i) failure to invest the minimum investment requirement under the FILOT Act (the "Minimum Statutory Investment Requirement") by the end of the initial Investment Period shall result in the termination of the negotiated FILOT retroactively and prospectively, and the Company, and any sponsor affiliate who previously received the benefit of any negotiated FILOT, shall pay to the County the difference between the negotiated FILOT payments actually paid on behalf of Project property, and the amount that would have been paid on behalf of such property in the absence of the negotiated FILOT, together with interest thereon at the rate calculated in the manner as provided in Section 12-54-25 of the Code, or any successor Code provision, (ii) failure to invest the Minimum Contractual Investment Requirement by the end of the initial Investment Period shall result in the termination of the Fee Agreement effective at the end of the Investment Period except for those matters intended to survive termination of the Fee Agreement, and (iii) failure to maintain the Minimum Statutory Investment Requirement for the term of the Fee Agreement shall result in the termination of the negotiated FILOT prospectively, but not retroactively;

c. calculation of negotiated FILOT payments using (*i*) an assessment ratio of six percent (6%), and (*ii*) a millage rate of 345.5 mills, which such millage rate shall be fixed for the entire term of the Fee Agreement;

d. a term of twenty (20) years for each phase or year's investment in economic development property during the Investment Period under the Fee Agreement;

e. for negotiated FILOT payments due with respect to the Project, an SSRC of 50% for the first five years of such negotiated FILOT payments; provided, in the event the Minimum Contractual Investment Requirement is not satisfied at the end of the initial Investment Period (prior to any extension thereof) or is not maintained for each year thereafter in which the Company and any sponsor affiliate would otherwise be entitled to receive an SSRC, the SSRC applicable to each FILOT payment shall be terminated on a retroactive and prospective basis. To the extent that the SSRC percentage is retroactively terminated, the Company, and any sponsor affiliate who previously received the benefit of any SSRC, shall pay to the County the difference between the FILOT payments actually paid taking into account any SSRC that did apply, and the FILOT payments that would have been paid in the absence of any SSRC, together with interest on such difference calculated in the manner as provided in Section 12-54-25 of the Code, or any successor Code provision;

f. to the extent the County levies additional millage for the specific purpose of providing either fire or EMS services, or both, after the date of the Fee Agreement, for an additional fee payment to be paid to the County equivalent to the amount that would be generated by such additional millage;

g. the commitment of the Company to reimburse the County for its administrative expenses associated with the review, negotiation and preparation of all documentation and authorizing proceedings, including attorney's fees, related to the Fee Agreement, the location of the Project and the land on which the Project is now, or hereafter to be located, within the boundaries of a MCP, and for the County's administrative expenses associated with the annual computation of the negotiated FILOT payments.

3. Council shall use its best efforts to include the land on which the Project is now, or hereafter to be, located in an MCP, if not already included in an MCP. The period of time for inclusion of the land in an MCP shall be for a period at least as long as the period the Fee Agreement is effective.

4. Council shall approve the Fee Agreement and any other agreement or document contemplated by this Resolution, in accordance with South Carolina law and the rules and procedures of the Council.

5. Council finds that (*i*) 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, (*ii*) the Project gives rise to no pecuniary liability of the County or incorporated municipality and to no charge against the general credit or taxing power of either the County or any incorporated municipality, (*iii*) the purposes to be accomplished by the Project are proper governmental and public purposes, and (*iv*) the benefits of the Project to the public are greater than the costs to the public.

6. To the extent this Resolution contains provisions that conflict with other orders, resolutions, and parts thereof, the provisions contained in this Resolution supersede all other orders, resolutions and parts thereof and this Resolution is controlling.

7. This Resolution takes effect upon its adoption.

[Signatures follow on next page]

AND IT IS SO RESOLVED

Dated this ___ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

[SEAL]

_____
Steve Harper, Chair, County Council

_____
Billy Mosteller, Secretary, County Council

Attest:

_____
Sherrie Simpson, Clerk to Council

Approved as to form:

_____
Ginny L. Merck-Dupont, County Attorney

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Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1878
Contact Person / Sponsor: Brian Fulk / Economic Development
Department: Economic Development
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Approve the First Reading of Ordinance 2023-1878 on October 9, 2023, followed by the second reading on October 23, 2023 and the public hearing and third reading on November 6, 2023 at which time the company's name would be revealed.

There is also a Companion Inducement Resolution 1253-R2023 to this Ordinance.

Points to Consider:
Project Lathe is a small existing business located in Lancaster County, SC. The Company intends to invest a minimum of $2,500,000 over a 5 year period.

Funding and Liability Factors:
The Project will be in a multi-county park and we are offering a 50% Special Source Revenue Credit (SSRC) Agreement for the first 5 years of the 20 year agreement. The millage rate will be fixed at 345.5.

Recommendation:
Approve an Economic Development Incentive for Project Lathe.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1878	9/28/2023	Ordinance
Exhibit A to Ordinance 2023-1878	9/29/2023	Backup Material

STATE OF SOUTH CAROLINA)
) **ORDINANCE 2023-1878**
COUNTY OF LANCASTER)

AN ORDINANCE TO AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BETWEEN LANCASTER COUNTY, SOUTH CAROLINA AND PROJECT LATHE PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and Determinations

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (the "County") acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), and specifically Title 12, Chapter 44 of the Code (the "Fee in Lieu of Tax Simplification Act" or "FILOT Act"), to enter into agreements with business and industry, to offer certain privileges, benefits, and incentives as inducements for economic development within the County whereby the industry would pay fees in lieu of *ad valorem* taxes ("FILOT Payments") with respect to qualified business and industrial projects, through all such powers the industrial development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain and expand in the State and thus utilize and employ the workforce, products and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise adequately provided locally; and

(b) The County, acting by and through its Council, is authorized and empowered to establish, in conjunction with one or more other counties, multicounty industrial and business parks (each, an "MCP") pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina, and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code, as amended (the "MCP Act") to further the investment of capital and the creation of jobs in the County, and to facilitate the provision of special source revenue credits. Under the authority provided by the MCP Act, the county has created an MCP with Chester County governed by that Agreement for the Development of a Joint Industrial and Business Park (_____) dated as of May 21, 2012, by and between Lancaster County and Chester County ("Park Agreement");

(c) Section 12-44-70 of the FILOT Act, Section 4-1-175 of the MCP Act and Section 4-29-68 of the Code authorizes the Council to provide special source revenue credits ("SSRCs") that are applied against FILOT Payments made pursuant to the FILOT Act and MCP Act to reimburse a project for the costs of designing, acquiring, constructing, improving, or expanding, among other things, (*i*) infrastructure serving the project, or (*ii*) 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; and

(d) Project Lathe, acting for itself, one or more affiliates, and/or other project sponsors (collectively, the "Company"), is considering the investment in an expansion of its manufacturing facility in the County (the "Project"), and, provided that the County enters into certain incentive arrangements with the Company, the Company anticipates that, should plans proceed as expected, investment in the Project will equal or exceed $2,500,000 within the County; and

(e) Pursuant to Resolution No. R-___-20__, adopted on _____ ___, 2023, the Council approved an Inducement Resolution providing for, among other things, the commitment of the County to enter into a fee-in-lieu of tax and incentive agreement ("Fee Agreement") with the Company and the provision of SSRCs.

Section 2. Statutory Findings

Based on relevant criteria including, the purposes the Project is to accomplish, the anticipated dollar amount and nature of the investment, employment to be created, and the anticipated costs and benefits to the County, Council makes the following additional findings:

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

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

(c) 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.

(d) The purposes to be accomplished by the Project are proper governmental and public purposes and the benefits of the Project are greater than the costs.

Section 3. Approval of Fee In Lieu of Tax and Incentive Agreement

The form, terms, and provisions of the Fee Agreement, attached to this ordinance as Exhibit A, are authorized, ratified and approved, and all the provisions, terms, and conditions thereof are authorized, ratified and approved and the Fee Agreement is incorporated herein by reference as if the Fee Agreement were set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute the Fee Agreement in the name of and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company and performed by the County. The Fee Agreement is to be in substantially the form as attached to this ordinance and hereby approved, with such changes therein as shall not be materially adverse to the County and as shall be approved by the official or officials of the County executing the same, upon the advice of counsel to the County, each 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 attached to this ordinance.

Section 4. Inclusion within the Park

The Project is already located within the Park and governed by the Park Agreement. The Chair, the County Administrator and the Clerk to County Council are each authorized to execute such documents and take such further actions as may be necessary to ensure the Project remains within the Park's boundaries for the duration of the Fee Agreement.

Section 4. Economic Development Fund

(a) Council finds that (i) by passage of Ordinance No. 2014-1260, Council created an Economic Development Fund with the intent to make monies available to fund from new revenues to the County derived from new and expanded businesses and industry, and (ii) the ability to make monies available to the Economic Development Fund can be difficult because of complexities and legalities applicable to fee-in-lieu of tax arrangements and MCPs.

(b) It is the intent of Council, in the annual County budget, to appropriate monies to the Economic Development Fund based on the new revenue that the County receives pursuant to the Fee Agreement. Specifically, it is Council's intent to appropriate from the General Fund of the County an amount based on the following formula: Seven percent (7%) times the amount of money received pursuant to the Fee Agreement by the County after distribution to other taxing entities in the most recently completed tax year.

Section 5. Authority to Act

The Council Chair, Council Secretary, Clerk to County, County Administrator, County Attorney and all other appropriate officials of the County are (and each acting individually is) hereby authorized, empowered, and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County under and pursuant to the Fee Agreement.

Section 6. Severability

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

Section 6. Conflicting Provisions

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances and resolutions, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 8. Effective Date

This ordinance is effective upon third reading.

[Signatures follow on next page]

AND IT IS SO ORDAINED

Dated this ____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Steve Harper, Chair, County Council

_____
Billy Mosteller, Secretary, County Council

ATTEST:

_____
Sherrie Simpson, Clerk to Council

First Reading: October 9, 2023
Second Reading: October 23, 2023
Third Reading: November 13, 2023

Public Hearing: November 13, 2023

Approved as to form:

_____
Ginny L. Merck-Dupont, County Attorney

<u>Exhibit A</u> to Ordinance 20__-___

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

See attached.

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FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

by and between

LANCASTER COUNTY, SOUTH CAROLINA,

and

PROJECT LATHE

Dated as of _____ ___, 2023

NOTICE: THIS AGREEMENT INCLUDES REPORTING REQUIREMENTS TO BE MADE BY PROJECT LATHE INCLUDING, BUT NOT LIMITED TO, THE REQUIREMENTS SET FORTH IN SECTION 4.02 HEREIN.

SUMMARY OF CERTAIN REPORTING REQUIREMENTS

- Each year during the Term, the Company shall deliver, in the manner set forth in **Section 4.02(e)**, to the County Auditor and the County Director of Economic Development a copy of any property tax form or return it files with the South Carolina Department of Revenue with respect to the Project within five (5) days of delivery thereof to the South Carolina Department of Revenue. The County and the Sponsor expect such tax forms or returns to include, but not be limited to:

    - the South Carolina Department of Revenue Form PT-443 which, under current laws and regulations must be filed within thirty (30) days of the execution of this Agreement with the South Carolina Department of Revenue, the county auditors of the County and Multi-County Park partner county, and the county assessors of the County and the Multi-County Park partner county; and

    - (ii) the South Carolina Department of Revenue Form PT-300 and any applicable schedules thereto (or such successor forms and schedules as may be promulgated by the South Carolina Department of Revenue from time to time), which such form, under current laws and regulations, and subject to certain exceptions, must be filed with the South Carolina Department of Revenue by April 30th of each year (such date being the last day of the fourth month following the Company's closing date for income tax purposes).

- During the Term, the Sponsor shall deliver to the County Auditor and the County Director of Economic Development on or before each May 31 following the end of a property tax year, beginning with May 31, 2024, the annual investment information with respect to the Companies contained in **Exhibit B** attached hereto.

- Information, returns, certifications or other reports to be provided to the County Auditor shall be in writing and delivered either:

    (i) by trackable mail or delivery service to the County Auditor, addressed as follows:

    Lancaster County, South Carolina
    Attn.: County Auditor
    P.O. Box 1809 (29721)
    101 N. Main Street, 2nd Floor (29720)
    Lancaster, South Carolina

or

    (ii) by e-mail to the County Auditor or Deputy County Auditor; provided, delivery by e-mail shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the County Auditor's office.

- Information, returns, certifications or other reports to be provided to the County Director of Economic Development shall be in writing and delivered either:

(A) by trackable mail or delivery service to the Economic Development Director, addressed as follows:

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina

or

(B) by e-mail to the Economic Development Director; provided, delivery by e-mail shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the Lancaster County Department of Economic Development.

Verbal communication shall not qualify as "delivery" of the information, returns, certifications, or other reports required to be provided under **Section 4.02**.

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

This FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this "Agreement") is dated as of November 13, 2023, by and between LANCASTER COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the "County") and Project Lathe, a corporation organized and existing under the laws of the State of South Carolina ("Sponsor").

WITNESSETH:

WHEREAS, the County, acting by and through its County Council, is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina 1976, as amended (the "Code") and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution (the "Multi-County Park Act"): (*i*) to enter into agreements with certain investors to construct, operate, maintain, and improve certain industrial and commercial properties through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the workforce, agricultural products, and natural resources of the State; (*ii*) to covenant with such investors to accept certain payments in lieu of *ad valorem* taxes with respect to the project (a "FILOT"); and (*iii*) to maintain, create or expand, in conjunction with one or more other counties, a multi-county industrial park; and

WHEREAS, the Company is considering the acquisition, construction and installation of a project located in the County (the "Project"); and

WHEREAS, the Company anticipates that the Project will result in an investment of at least $2,500,000 in the County; and

WHEREAS, the County Council approved on October 9, 2023, Resolution No. 1253-R2023 (the "Inducement Resolution") to identify, reflect and induce the Project under the Act and to state the commitment of the County to, among other things, enter into this Agreement; and

WHEREAS, as a result of the Company locating the Project in the County, the Company requested that the County complete the FILOT arrangement referred to in the Inducement Resolution by entering into this Agreement with the Company pursuant to the Act, and the Company elects to enter into such FILOT arrangement with the County in an effort to implement the terms of the Project and allow the Company to make FILOT payments pursuant to the Act; and

WHEREAS, for the Project, the parties have determined that Sponsor is a Project Sponsor and that the Project constitutes Economic Development Property within the meaning of the Act; and

WHEREAS, for the purposes set forth above, 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 herein set forth.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

ARTICLE I

DEFINITIONS AND RECAPITULATION

Section 1.01. Statutorily Required Recapitulation.

(a) Pursuant to Section 12-44-55(B) of the Act, the County and the Company agree to waive the recapitulation requirements of Section 12-44-55 of the Act. Subsection (b) of this section is inserted for convenience only and does not constitute a part of this Agreement or a summary compliant with Section 12-44-55 of the Act.

(b) Summary of Agreement.

1. Legal name of each initial party to this Agreement: Project Lathe and Lancaster County, South Carolina.

2. County, street address, parcel number or other location identifier of the Project and property to be subject to this Agreement:

Lancaster County, South Carolina
4777 Stoneboro Road, Heath Springs, South Carolina 29058
TMS # 153-1.00

3. Minimum investment agreed upon: Contract Minimum Investment Requirement.

4. Length and term of this Agreement: twenty (20) years for each annual increment of investment in the Project during the Investment Period.

5. Assessment ratio applicable for each year of this Agreement: 6%, except as otherwise provided in the Agreement.

6. Millage rate applicable for each year of this Agreement: 345.5 mills, except as otherwise provided in the Agreement.

7. Statements

(a) The Project is to be located in a multi-county park;

(b) Disposal of property subject to payments-in-lieu-of-taxes is allowed;

(c) Special Source Revenue Credits shall be applied with respect to the Economic Development Property in amounts equal to fifty percent (50%) of the Negotiated FILOT

Payments for five (5) consecutive years beginning with the Negotiated FILOT Payment due without penalty on or before January 15, 2025 and ending with the Negotiated FILOT Payment due without penalty on or before January 15, 2029, *provided, however, that* the Special Source Revenue Credits shall not apply to the Additional Fee, and *provided, further, that* Special Source Revenue Credits are subject to retroactive and prospective termination as set forth in **Section 5.01(j)** of this Agreement;

(d) Payment will not be modified using a net present value calculation; and

(e) Replacement Property provisions will apply.

Section 1.02. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings, unless the context or use indicates another or different meaning or intent.

"*Act*" or "*Simplified FILOT Act*" shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

"*Act Minimum Investment Requirement*" shall mean investment in the Project of not less than $2,500,000 (without regard to depreciation or other diminution in value) during the initial Investment Period (prior to any extension), as required by Section 12-44-30(14) of the Act, which investment amount shall be calculated in accordance with Section 12-44-130 of the Act in determining whether the Companies qualify for the FILOT.

"*Additional Fee*" shall mean the payments, if any, to be made by the Company as set forth in Section 5.01(m) of this Agreement.

"*Administrative Expense*" shall mean the reasonable and necessary out-of-pocket expenses, including attorneys' fees, incurred by the County with respect to: (*i*) the preparation, review, approval and execution of this Agreement, (*ii*) the preparation, review, approval and execution of other documents related to this Agreement and any multi-county park documents; and (*iii*) the fulfillment of its obligations under this Agreement and any multi-county park documents. Administrative Expenses the County incurs under items (i) and (ii) above shall not exceed $5,000.

"*Affiliate*" shall mean any Person directly or indirectly controlling, controlled by, or under common control with such other Person. For purposes of this definition, "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Person, whether through the ownership of voting securities, by contract, or otherwise.

"*Agreement*" shall mean this Fee in Lieu of Tax and Incentive Agreement.

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

"*Company*" shall mean the Sponsor.

"*Companies*" shall mean the Sponsor together with any subsequently joined Sponsor Affiliate(s). Any provision in this Agreement applicable to the "Company" shall be construed to also apply to the "Companies" to the extent one or more Sponsor Affiliate(s) are designated pursuant to **Section 8.04** of this Agreement.

"*Contract Minimum Investment Requirement*" shall mean investment by the Companies in the Project of not less than $2,500,000 (without regard to depreciation or other diminution in value) during the initial Investment Period (prior to any extension).

"*Cost of Special Source Improvements"* shall mean the costs of designing, acquiring, constructing, improving, equipping or expanding the Special Source Improvements.

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

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

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

"*Economic Development Property*" shall mean each item of real and tangible personal property comprising the Project, except Non-Qualifying Property, within the meaning of that term as defined and used in Sections 12-44-30(6) and 12-44-40(C) of the Code and in this Agreement.

"*Equipment*" shall mean all machinery, equipment, furnishings, and other personal property acquired by Sponsor or Sponsor Affiliate and placed in service as part of the Project during the Investment Period in accordance with this Agreement.

"*Event of Default*" shall mean an Event of Default as defined in **Section 11.01** hereof.

"*Existing Property*" shall mean property proscribed from becoming Economic Development Property pursuant to Section 12-44-110 of the Code, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to the execution and delivery of this Agreement 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 a Company during the Investment Period which has not been placed in service in this State prior to the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; or (c) modifications which constitute an expansion of Existing Property.

"*FILOT*" shall mean the fee-in-lieu of taxes, which Sponsor is obligated to pay to the County pursuant to **Section 5.01** hereof.

"*FILOT Payments*" shall mean the payments to be made by Sponsor pursuant to **Section 5.01** hereof.

"*FILOT Revenues*" shall mean the revenues received by the County from the payment of the FILOT.

"*Investment Period*" shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is five (5) years from the end of the property tax year in which the initial Economic Development Property comprising all, or a portion of, the Project is placed in service, unless extended by agreement of the County and the Company pursuant to Section 12-44-30(13) of the Code.

"*Land*" shall mean the real estate upon which the Project is to be located, more specifically identified as Parcel Identification No. 153-1.00 and described on **Exhibit A** attached hereto. Additional real estate may be included by amendment as provided in the **Section 12.12** of this Agreement.

"*Multi-County Park*" means the multi-county park established pursuant to the Agreement for the Development of a Joint Industrial and Business Park ([●]) dated as of May 21, 2012, between the County and Chester County, South Carolina, as from time to time amended and updated. Multi-County Park includes any subsequent park or any subsequent park agreement that includes the Land, and as authorized by the Multi-County Park Act.

"*Multi-County Park Act*" shall mean Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution, as amended through the date hereof.

"*Negotiated FILOT Payment*" shall mean the FILOT due pursuant to **Section 5.01(b)** hereof with respect to that portion of the Project consisting of Economic Development Property.

"*Non-Qualifying Property*" shall mean that portion of the Project consisting of: (*i*) property as to which Sponsor incurred expenditures prior to the Investment Period or, except as to Replacement Property, after the end of the Investment Period; (*ii*) Existing Property; and (*iii*) any Released Property or other property which fails or ceases to qualify for Negotiated FILOT Payments, including without limitation property as to which Sponsor has terminated the Negotiated FILOT pursuant to **Section 4.03(iii)** hereof.

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

"*Project*" shall mean, collectively herein, the Project, and shall include the buildings and other improvements on the Land to the extent placed thereon by or on behalf of Sponsor [or Sponsor Affiliate], including water, sewer treatment and disposal facilities, and other machinery, apparatus, equipment, office facilities, and furnishings which are necessary, suitable, or useful, including the Equipment, and any Replacement Property, to the extent, and with the exception of the Replacement Property, placed in service during the Investment Period.

"*Released Property*" shall mean any portion of the Project removed, scrapped, traded in, sold, or otherwise disposed of pursuant to **Section 4.03** hereof, any portion of the Project stolen, damaged, destroyed, or taken by condemnation or eminent domain proceedings as described in **Article VII** hereof, and any infrastructure which any Company dedicates to the public use (within the meaning of that phrase as used in Section 12-6-3420(C) of the Code).

"*Replacement Property*" shall mean all property placed in service in or on the Land in substitution of, or as replacement for, any portion of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to **Section 5.01(f)** hereof and Section 12-44-60 of the Code.

"Special Source Improvements" shall mean (i) infrastructure serving the Project, or (ii) improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of the Project.

"Special Source Revenue Credits" shall mean the Special Source Revenue Credits described in **Section 5.01(c)** hereof.

"*Sponsor Affiliate*" shall mean any Person who agrees to be bound by the terms and provisions of this Agreement and is approved by the County in writing pursuant to the provisions of **Section 8.04** of this Agreement.

"*State*" shall mean the State of South Carolina.

"*Term*" shall mean the term of this Agreement, as set forth in **Section 10.01** hereof.

"*Transfer Provisions*" shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

Section 1.03. References to Agreement. The words "hereof", "herein", "hereunder", and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County represents and warrants that: (*i*) it is a body politic and corporate and a political subdivision of the State; (*ii*) it is authorized by the Act to enter into this Agreement; (*iii*) it has approved this Agreement in accordance with the procedural requirements of the Act and any other applicable state law; and (*iv*) it has authorized its officials to execute and deliver this Agreement.

Section 2.02. Representations and Warranties by Sponsor. The Sponsor makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Sponsor is a corporation, validly existing and in good standing under the laws of South Carolina and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT and the Special Source Revenue Credits have been instrumental in inducing Sponsor to locate the Project within Lancaster County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor are pending or threatened against or affecting Sponsor in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(d) The income tax year of Sponsor for federal and state income tax purposes ends December 31.

(e) No event has occurred and no condition currently exists with respect to Sponsor, which would constitute a default hereunder or an "Event of Default" as defined herein.

(f) Sponsor intends to operate the Project for the purpose of manufacturing. The Project constitutes a "project" and "economic development property" as provided under the Act.

ARTICLE III

UNDERTAKINGS OF THE COUNTY

Section 3.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept FILOT Payments made by the Company in accordance with **Section 5.01** hereof in lieu of *ad valorem* taxes with respect to the Project until this Agreement expires or is sooner terminated.

Section 3.02. No Warranties by County. The Company acknowledges that the County has made no warranties or representations, either express or implied, as to the condition or state of the Project or as to the design or capabilities of the Project or that it will be suitable for the Company's purposes or needs. No representation of the County is hereby made with regard to compliance by the Project or any Person with laws regulating: (*i*) the construction or acquisition of the Project; (*ii*) environmental matters pertaining to the Project; (*iii*) the offer or sale of any securities; or (*iv*) the marketability of title to any property.

Section 3.03. Invalidity. The parties acknowledge that the intent of this Agreement is to afford the Company the benefits of the Negotiated FILOT Payments and the Special Source Revenue Credits in consideration of the Company's decision to locate the Project within Lancaster County and that this Agreement has been entered into in reliance upon the enactment of the Simplified FILOT Act. In the event that, for any reason, the Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act, in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Companies benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there shall be due hereunder, with respect to the portion of the Economic Development Property affected by such circumstances, *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be, and that, to the extent permitted by law, the Company shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive other tax credits which would be due if such Company were obligated to pay *ad valorem* taxes, or make FILOT payments pursuant to the Multi-County Park Act, as the case may be, hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are required by law to be subject to retroactive adjustment, then there shall be due and payable by the Companies to the County with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which the Companies would have paid as *ad valorem* taxes, or as FILOT payments pursuant to the Multi-County Park Act, as the case may be, including all exemptions, credits, and depreciation for which the Companies would have otherwise been eligible if it were obligated to pay *ad valorem* taxes, or FILOT

payments pursuant to the Multi-County Park Act, as the case may be, together with, but only if required by law, interest on such deficiency as provided in Section 12-54-25(D) of the Code. The Company agrees that if this Agreement is reformed as provided in this Section or if retroactive adjustments are made, then under no circumstances shall the County be required to refund or pay any monies to the Companies.

In addition to and notwithstanding the foregoing paragraph, the County shall not be obligated to perform any of its obligations or promises under this **Section 3.03** unless the Sponsor has otherwise complied with or provided satisfactory evidence to the County that it intends to comply with its obligations and responsibilities under this Agreement.

Section 3.04. Multi-County Park Status. The County agrees to take action to place the Land in the Multi-County Park, if not already in the Multi-County Park, until the date this Agreement is terminated. If it becomes necessary to move the Land from one multi-county park to another prior to the termination of this Agreement, the County agrees to use its best efforts to place the Land in a multi-county park established pursuant to the Multi-County Park Act and to maintain the multi-county park designation until the date this Agreement is terminated. The parties acknowledge and agree that the County's agreement to place and maintain the Land in a multi-county park may be subject to the exercise of discretion by a governmental entity other than the County and the exercise of that discretion is not controlled by the County.

ARTICLE IV

REPORTING; MAINTENANCE AND MODIFICATION OF PROJECT

Section 4.01. [Reserved].

Section 4.02. Reporting and Filing.

(a) The Companies shall maintain, or cause to be maintained, such books and records with respect to the Project as will permit the identification of the portions of the Project placed in service, the amount of investment with respect thereto, any computations of the FILOT Payments and the Special Source Revenue Credits hereunder, the Companies' compliance with the Contract Minimum Investment Requirement. The Companies agree to comply with all reporting requirements of the State and the County applicable to FILOT property under the Act and the Multi-County Park Act.

(b) A County Official may request and obtain such financial books and records from the Companies that supports the respective reports and returns of the Companies as may be reasonably necessary to verify the calculations of the FILOT Payments and the Special Source Revenue Credits, or the Companies' compliance with the Contract Minimum Investment Requirement. For purposes of this Agreement, the term "County Official" includes the County Administrator, County Auditor, County Assessor, County Treasurer, and the County Director of Economic Development.

(c) Each year during the Term, the Company shall deliver, in the manner set forth in **Section 4.02(e)** below, to the County Auditor and the County Director of Economic Development a copy of any property tax form or return it files with the South Carolina Department of Revenue with respect to the Project within five (5) days of delivery thereof to the South Carolina Department of Revenue. The County and the Companies expect such tax forms or returns to include, but not be limited to:

(i) the South Carolina Department of Revenue Form PT-443 which, under current laws and regulations must be filed within thirty (30) days of the execution of this Agreement with the South Carolina Department of Revenue, the county auditors of the County and Multi-County Park partner county, and the county assessors of the County and the Multi-County Park partner county; and

(ii) the South Carolina Department of Revenue Form PT-300 and any applicable schedules thereto (or such successor forms and schedules as may be promulgated by the South Carolina Department of Revenue from time to time), which such form, under current laws and regulations, and subject to certain exceptions, must be filed with the South Carolina Department of Revenue by April 30th of each year (such date being the last day of the fourth month following the Company's closing date for income tax purposes).

(d) During the Term, the Sponsor shall deliver to the County Auditor and the County Director of Economic Development on or before each May 31 following the end of a property tax year, beginning with May 31, 2024, the annual investment information with respect to the Companies contained in **Exhibit B** attached hereto.

(e) If any of the information, returns, certifications, or other reports set forth in this **Section 4.02** are not timely delivered, in writing, to the appropriate County officials, in addition to any other remedy available to the County, the County may withhold the applicability of the FILOT and the Special Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for the applicable property tax year. Further, if such information, returns, certifications, or other reports with respect to a property tax year are not delivered, in writing, to the appropriate County officials by March 1 of the following property tax year, in addition to any other remedy available to the County, the FILOT and the Special Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for such property tax year shall be forfeited.

Information, returns, certifications or other reports to be provided to the County Auditor pursuant to this **Section 4.02** shall be in writing and delivered either:

(i) by trackable mail or delivery service to the County Auditor, addressed as follows:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)

Lancaster, South Carolina

or

(ii) by e-mail to the County Auditor or Deputy County Auditor; provided, delivery by e-mail pursuant to this **subsection (ii)** shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the County Auditor's office.

Information, returns, certifications or other reports to be provided to the County Director of Economic Development pursuant to this **Section 4.02** shall be in writing and delivered either:

(A) by trackable mail or delivery service to the Economic Development Director, addressed as follows:

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina

or

(B) by e-mail to the Economic Development Director; provided, delivery by e-mail pursuant to this **subsection (B)** shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the Lancaster County Department of Economic Development.

Verbal communication shall not qualify as "delivery" of the information, returns, certifications, or other reports required to be provided under this **Section 4.02**.

(f) The County acknowledges and understands that the Companies may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Companies' operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Companies and could have a significant detrimental impact on the Companies' employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Companies, their agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any Person other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential

Information, the County shall notify the Companies and give the Companies the opportunity to contest the release.

Section 4.03 Modification of Project.

As long as no event of default exists hereunder, the Sponsor shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) Sponsor may, at its own expense, add to the Project any real and personal property as the Company, in its discretion, deems useful or desirable.

(ii) In any instance where Sponsor, 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, 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, as such may be permitted under the Simplified FILOT Act.

(iii) The Sponsor may, at any time in its discretion by written notice to the County, remove any real or personal property from the Negotiated FILOT (as defined in **Section 5.01**) set forth in this Agreement, and thereafter such property will be considered Non-Qualifying Property and will be subject to FILOT Payments as set forth in **Section 5.01(b)(i)** hereof.

ARTICLE V

PAYMENTS IN LIEU OF TAXES

Section 5.01. Payments in Lieu of *Ad Valorem* Taxes.

(a) In accordance with the Act, the parties agree that, during the Term of this Agreement, the Companies shall pay annually, with respect to the Project, a FILOT in the amount calculated as set forth in this **Section 5.01**, to be collected and enforced in accordance with Section 12-44-90 of the Act.

(b) The FILOT Payment due with respect to each property tax year shall equal:

(i) With respect to any portion of the Project consisting of undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property, as long as such property is located in the Multi-County Park, a payment equal to the *ad valorem* taxes that would otherwise be due on such undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property if it were taxable giving effect to all credits, exemptions, depreciation, rebates and abatement that would be available if such undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property were taxable; and

(ii) With respect to those portions of the Project consisting of Economic Development Property, for each of the twenty (20) consecutive years following the year in which such portion of the Project is placed in service, a payment calculated each year as set forth in paragraphs (c) and (d) of this **Section 5.01** (a "Negotiated FILOT").

(c) The Negotiated FILOT Payments shall be calculated with respect to each property tax year based on:

(i) the fair market value (determined in accordance with Section 12-44-50(A)(1)(c) of the Code) of the improvements to real property and Equipment included within the Project theretofore placed in service (less, for Equipment, depreciation allowable for property tax purposes as provided in Section 12-44-50(A)(1)(c) of the Code);

(ii) a fixed millage rate equal to 345.5 mills, for the Term; and

(iii) an assessment ratio of six percent (6%).

All calculations of the Negotiated FILOT Payments shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the exemption allowed pursuant to Section 3(g) of Article X of the Constitution of the State of South Carolina and the exemptions allowed pursuant to Sections 12-37-220(B)(32) and (34) of the Code.

To defray or reimburse the Cost of Special Source Improvements, Special Source Revenue Credits shall be applied with respect to Economic Development Property in amounts equal to fifty percent (50%) of the Negotiated FILOT Payments for five (5) consecutive years beginning with the Negotiated FILOT Payment due without penalty on or before January 15, 2025 and ending with the Negotiated FILOT Payment due without penalty on or before January 15, 2029, *provided, however, that* the Special Source Revenue Credits shall not apply to the Additional Fee, and *provided, further, that* Special Source Revenue Credits are subject to retroactive and prospective termination as set forth in **Section 5.01(j)** of this Agreement. Special Source Revenue Credits shall not, in the aggregate, exceed the aggregate Cost of Special Source Improvements funded from time to time in connection with the Project by the Companies. If the Companies have made a written election to include, as part of the Special Source Improvements, any personal property, and has provided notice to the County of such election, and the Companies subsequently remove or dispose of such personal property from the Project during the term of this Agreement and have claimed Special Source Revenue Credits against FILOT Payments based on such personal property, then the Companies are required to continue to make FILOT Payments on the removed personal property for the two years immediately following the year in which the Companies remove such personal property from the Project. The amount of the FILOT Payments due on the removed personal property is equal to the FILOT Payments due on the personal property for the year in which the Companies remove or dispose of the personal property. If the Companies replace such personal property with qualifying replacement property, then the removed personal property is deemed not to have been removed from the Project. Notwithstanding anything in this subsection to the contrary, the Company shall be

required to make the FILOT Payments required in this subsection only if and to the extent that the Act or the Multi-County Park Act so require at the time the personal property in question is removed or disposed of.

(d) The FILOT Payments are to be recalculated:

(i) to reduce such payments in the event any Company disposes of any part of the Project within the meaning of Section 12-44-50(B) of the Code and as provided in **Section 4.03** hereof, by the amount applicable to the Released Property;

(ii) to increase such payments, based on the methodology set forth in **Section 5.01(c)** hereof, in the event any Company adds property (other than Replacement Property) to the Project; or

(iii) to adjust such payments if any Company elects to convert any portion of the Project from the Negotiated FILOT to the FILOT required by **Section 5.01(b)(i)** above, as permitted by **Section 4.03(iii)** above.

(e) [Reserved]

(f) Upon any Company's placement in service of any Replacement Property for any portion of the Project removed under **Section 4.03** hereof and sold, scrapped, or disposed of by the Company, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(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 property subject to the FILOT, whether real or personal, which is disposed of in the same property tax year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Economic Development Property which it is replacing. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the FILOT Payment for the period of time remaining on the FILOT period for the property which it is replacing.

(ii) The new Replacement Property which qualifies for the Negotiated FILOT Payment shall be recorded using its income tax basis, and the Negotiated FILOT Payment shall be calculated using the millage rate and assessment ratio provided on the original property subject to FILOT Payment.

(g) In the event that the Act or the FILOT or any portion thereof, are declared, by a court of competent jurisdiction following allowable appeals, invalid or unenforceable, in whole or in part, for any reason, the Company and the County express their intentions that such payments be reformed so as to afford the Company the maximum benefit then permitted by law, including,

without limitation, the benefits afforded under Section 12-44-50 of the Code and, specifically, that the Company may, at the Company's expense, exercise the rights granted by Section 12-44-160 of the Code. If the Project is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County agree that the Company shall pay an alternate fee-in-lieu of tax calculated in the manner set forth in **Section 5.01(b)(i)** hereof. In such event, the Company shall be entitled, to the extent permitted by law: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Section 3(g) of Article X of the Constitution of the State of South Carolina, and any other exemptions or credits allowed by law; and (2) to enjoy all allowable depreciation. The Company agrees that if the FILOT Payments or this Agreement are reformed pursuant to this **Section 5.01(g)**, that under no circumstance shall the County be required to refund or pay any monies to the Company.

(h) This Agreement is automatically terminated in the event that the investment in the Project does not satisfy the Act Minimum Investment Requirement by the end of the initial Investment Period. If terminated pursuant to this **Section 5.01(h)**, the Negotiated FILOT Payments shall revert retroactively to payments equivalent to what the *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, would have been with respect to the property absent this Agreement. At the time of termination, the Company shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the Company had the Project been taxable, taking into account exemptions from property taxes and depreciation that would have been available to the Company, and the total amount of Negotiated FILOT Payments actually made by the Company. This additional amount is subject to interest as provided in Section 12-54-25. The Company agrees, if the Negotiated FILOT Payments revert to payments equivalent to what the *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, would be pursuant to this **Section 5.01(h)**, that under no circumstance shall the County be required to refund or pay any monies to the Company.

(i) This Agreement is automatically terminated, and the Project shall thereafter be subject to *ad valorem* taxes, in the event that either (1) the investment in the Project satisfies the Act Minimum Investment Requirement by the end of the initial Investment Period, but following the initial Investment Period falls below the Act Minimum Investment Requirement, or (2) the investment in the Project fails to satisfy the Contract Minimum Investment Requirement by the end of the initial Investment Period.

(j) In the event the Contract Minimum Investment Requirement is not satisfied at the end of the initial Investment Period or is not maintained for each year thereafter in which the Company would otherwise be entitled to receive a Special Source Revenue Credit, the Special Source Revenue Credits applicable to each Negotiated FILOT Payment due with respect to the Project shall be terminated on a retroactive and prospective basis. To the extent that the Special Source Revenue Credit is terminated, there shall be due and payable from the Company to the County an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid after taking into account any Special Source Revenue Credits that did apply to such Negotiated FILOT Payments, and the Negotiated FILOT Payments which would have been paid in the absence of any Special Source Revenue Credits, together with interest on such difference

calculated in the manner as provided in Section 12-54-25 of the Code, or any successor Code provision.

(k) Unless otherwise provided by the Act, any amounts due to the County under this **Section 5.01** by virtue of the application of subsections (h), (i) or (j) shall be paid within ninety (90) days, following written notice thereof from the County to the applicable Company.

(l) Notwithstanding any other provision of this Agreement, the Company acknowledges and agrees that County's obligation to provide the FILOT incentive and the Special Source Revenue Credits ends, and this Agreement is terminated, if the Sponsor ceases operations. For purposes of this **Section 5.01(l)**, "**ceases operations**" means closure of the Sponsor's facility in the County for a period of 365 consecutive days. The Company agrees that if this Agreement is terminated pursuant to this **Section 5.01(l)**, that under no circumstance shall the County be required to refund or pay any monies to the Company.

(m) To the extent the County levies additional millage for the specific purpose of providing either fire or EMS services, or both, during the Term of this Agreement, the Company shall pay an additional fee to the County (the "Additional Fee") calculated in the same manner set forth above in Section 5.01(c), provided the component set forth in subsection (ii) of such calculation shall equal the additional millage so levied. The Additional Fee shall be paid annually at the same time, and subject to the same terms and penalties, as each FILOT Payment is due pursuant to this Agreement.

ARTICLE VI

PAYMENTS BY COMPANIES

Section 6.01. Defaulted Payments. In the event a Company should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of such Company until the amount in default shall have been fully paid. The Company agrees that the collection and enforcement of the defaulted payment shall be as provided in Section 12-44-90 of the Code.

ARTICLE VII

CASUALTY AND CONDEMNATION

Section 7.01. Adjustments in the Event of Damage and Destruction or Condemnation. In the event that the Project or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, the Company, in its sole discretion, may determine whether or not to repair or replace the same. The parties agree that if such Company decides not to repair or replace all or any portion of the Project pursuant to this **Section 7.01**, the FILOT required pursuant to **Section 5.01** hereof shall be abated in the same manner and in the same proportion as if *ad valorem* taxes, or FILOT Payments pursuant to the Multi-County Park Act, as the case may be, were payable with respect to the Project.

ARTICLE VIII

PARTICULAR COVENANTS AND AGREEMENTS

Section 8.01. Use of Project for Lawful Activities. During the Term of this Agreement, the Company shall use the Project for the purposes identified in **Section 2.02(f)** of this Agreement and for any lawful purpose that is authorized pursuant to the Act.

Section 8.02. Assignment. The County agrees that, to the maximum extent allowable under the Act (or any amendments thereto), the Company may assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights or obligations under this Agreement, and any lease agreement, lease purchase agreement, or fee agreement, as the case may be, or any other agreement related hereto or thereto, or transfer any and all assets of such Company, to one or more Related Entities (as defined in **Section 9.01** below) without adversely affecting the benefits of such Company or its assignees pursuant to any such agreement or the Act. Each Company shall provide the County and the Department of Revenue with notice of any such assignment, transfer, or investment in accordance with the Act, and the County agrees, upon the request of such Company, to take all further action necessary to implement such assignment, transfer, or investment in accordance with the provisions of the Act. To the extent that the Act may require the consent, approval or ratification of or by the County for the assignment of this Agreement, in whole or in part, the County agrees to not unreasonably withhold its consent, approval or ratification.

Section 8.03. Indemnification. 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. The County is entitled to use counsel of its choice and the Sponsor shall reimburse the County for all of its costs, including attorneys' fees, incurred in connection with the response to or defense against such liability or claims as described immediately above. The County shall provide a statement of the costs incurred in the response or defense, and the Sponsor shall pay the County within 30 days of receipt of the statement. The Sponsor 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. The County may request the Sponsor to resist or defend against any claim on behalf of an Indemnified Party. On such request, the Sponsor shall resist or defend against such claim on behalf of the Indemnified Party, at the Sponsor's expense. The Sponsor 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 Sponsor is not entitled to settle any such claim without the consent of that Indemnified Party. An Indemnified Party may not avail itself of the indemnification or reimbursement of costs provided in this Section unless it provides the Sponsor 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 Sponsor notice, reasonable under the circumstances, within which to defend or otherwise respond to a claim.

Notwithstanding anything in this Section or this Agreement to the contrary, the Sponsor 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, gross negligence, intentional acts, bad faith, fraud, deceit, or willful misconduct.

The indemnity specified in this **Section 8.03** shall be in addition to any heretofore extended by the Company to any Indemnified Party and shall survive the termination of this Agreement with respect to liability arising out of any event or act occurring prior to such termination.

Section 8.04. Sponsors and Sponsor Affiliates. Sponsor may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Simplified FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Company and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of Sponsor, Sponsor Affiliate or other Sponsors or Sponsor Affiliates, or other Persons described in **Section 8.02** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30(19) or (20) and Section 12-44-130 of the Simplified FILOT Act must be approved by the County in writing. To the extent that the aggregate investment in the Project by the end of the Investment Period by all Sponsors and Sponsor Affiliates exceeds $5,000,000, to the extent permitted by Section 12-44-30(19) of the Simplified FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the FILOT pursuant to **Section 5.01** of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Act Minimum Investment Requirement by the end of the Investment Period. The Company shall provide the County and the Department of Revenue with written notice of any other Sponsor or Sponsor Affiliate designated pursuant to this **Section 8.04** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service property to be used in connection with the Project and subject to the Negotiated FILOT Payment, all in accordance with Section 12-44-130(B) of the Simplified FILOT Act.

ARTICLE IX

FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS

Section 9.01. Conveyance of Liens and Interests; Assignment. The Company may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to the Project to any Person; or (b) enter into any lending, financing, security, or similar arrangement or succession of such arrangements with any financing entity with respect to the Agreement or the Project, including without limitation any sale, leaseback, or other financing lease arrangement; *provided, that,* in connection with any of the foregoing transfers: (*i*) except in connection with

any transfer to an Affiliate of any Company (collectively, the "Related Entities"), or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), such Company shall first obtain the prior written consent of the County which shall not be unreasonably withheld; (*ii*) except where 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 transferee or financing entity assumes in writing the obligations of such Company hereunder, or where the County consents in writing, no such transfer shall affect or reduce any of the obligations of such Company hereunder, but all obligations of such Company hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety; (*iii*) such Company, transferee, or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (*iv*) such Company and the transferee shall comply with all other requirements of the Transfer Provisions.

The Company acknowledges that such a transfer of an interest under this Agreement or in the Project may cause the Project to become ineligible for a Negotiated FILOT Payment or result in penalties under the Act absent compliance by the Company with the Transfer Provisions.

Section 9.02. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge the application of the provisions of Section 12-44-90 of the Act, and that the County's right to receive FILOT Payments hereunder shall be the same as its rights conferred under Title 12, Chapter 49 and 54, among others, of the Code relating to the collection and enforcement of *ad valorem* property taxes. The County's rights under this Agreement, except for its rights to receive FILOT Revenues, shall be subordinate to the rights of any secured party or parties under any financing arrangements undertaken by any Company with respect to the Project pursuant to **Section 9.01** hereof, such subordination to be effective without any additional action on the part of the County; *provided, however,* that the County agrees, at such Company's expense, to execute such agreements, documents, and instruments as may be reasonably required by such secured party or parties to effectuate or document such subordination.

ARTICLE X

TERM; TERMINATION

Section 10.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company executes this Agreement, and ending at midnight on the later of (i) the last day of the property tax year in which the last Negotiated FILOT Payment is due hereunder, or (ii) the day that all Special Source Revenue Credits due from the County have been fully provided by the County. With respect to the Negotiated FILOT Payments arrangement, the Project has a term of twenty (20) years, as calculated pursuant to the respective dates when the relevant portions of the Project are placed in service. The County's rights to receive indemnification and payment of Administrative Expenses pursuant hereto shall survive the expiration or termination of this Agreement.

Section 10.02. Termination. The County and the Company may agree to terminate this Agreement at any time, or the Sponsor may, at its option, terminate this Agreement at any time, as to all or a portion of the Project, upon providing the County thirty (30) days' notice of such termination, in which event all or such portion of the Project, as the case may be, shall be subject to *ad valorem* taxes from the date of termination. In the event that this Agreement is terminated by the operation of this **Section 10.02** at any time during the initial Investment Period prior to the Company meeting the Act Minimum Investment Requirement, amounts due to the County as a result thereof, if any, shall be calculated as provided in **Section 5.01(h), (i)** and **(j)** hereof, as applicable. The County's rights to receive payment for such *ad valorem* taxes and its rights to enforce the terms of this Agreement shall survive termination of this Agreement.

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default by Companies.

Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default by the Company:

(1) if default shall be made by the Company in the due and punctual payment of any FILOT Payments, Additional Fees, indemnification payments, or Administrative Expenses, which default shall not have been cured within thirty (30) days following receipt of written notice thereof from the County; or

(2) if default shall be made by the Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (1), and such default shall continue for ninety (90) days after the County shall have given the Company written notice of such default, *provided, that* the Company shall have such longer period of time as necessary to cure such default if the Company proceeds promptly to cure such default and thereafter to prosecute the curing of such default with due diligence; and *provided, further,* that no Event of Default shall exist under this paragraph (2) during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Company has contested the occurrence of such default.

Section 11.02. Remedies on Event of Default by a Company. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies, any of which may be exercised at any time during the periods permitted under the following clauses:

(a) terminate this Agreement by delivery of written notice to the Company not less than thirty (30) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Company pursuant to **Section 4.02(c)** above; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition, or agreement of the Company under this Agreement.

Section 11.03. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Company may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation, a suit for mandamus or specific performance. *Provided, however*, that 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.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Company provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced; and the exercise by the County or by the Company of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company of any or all such other rights, powers or remedies.

Section 12.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns as permitted hereunder.

Section 12.03. Intentionally Omitted.

Section 12.04. Administrative Expenses.

(a) The Company agrees to reimburse the County from time to time for its Administrative Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administrative Expenses.

(b) The Company agrees to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual FILOT Payments and any Special Source Revenue Credits, *provided, however*, the maximum annual reimbursement pursuant to this subsection is capped at One Thousand and No/100 dollars ($1,000.00).

Section 12.05. Rules of Construction. The County and the Company acknowledge and agree that each has been represented by legal counsel of its choice throughout the negotiation and drafting of this Agreement, that each has participated in the drafting hereof and that this Agreement will not be construed in favor of or against either party solely on the basis of such party's drafting or participation in the drafting of any portion of this Agreement.

Section 12.06. Notices; Demands; Requests. Unless otherwise provided in this Agreement, all notices, demands and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid or reputable courier service, addressed as follows or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

County of Lancaster, South Carolina
ATTN: County Administrator
101 N. Main St. (29720)
P.O. Box 1809 (29721-1809)
Lancaster, South Carolina

With a copy to (which shall not constitute notice):

Economic Development Director, Lancaster County
P.O. Box 1809
Lancaster, South Carolina 29721

(b) As to the Sponsor:

Project Lathe
ATTN:_____
_____
_____

With a copy, in each case, to (which shall not constitute notice):

Nelson Mullins Riley & Scarborough, LLP
ATTN: Edward G. Kluiters
1320 Main Street, 17th Floor
Columbia, South Carolina 29201

Section 12.07. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 12.08. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties with each other, and no party has made nor shall

be bound by any agreement or any representation to any other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 12.09. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 12.10. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or sections or paragraphs of this Agreement are references to the designated articles or sections or paragraphs of this Agreement.

Section 12.11. Multiple Counterparts; Electronic Signatures. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall 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 12.12. Amendments. Subject to the limitations set forth in the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by all parties.

Section 12.13. Waiver. A party may waive compliance by any other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 12.14. Force Majeure. A party shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, labor shortages, fire, floods, pandemics inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond such party's reasonable control.

[EXECUTION PAGES FOLLOW]

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

LANCASTER COUNTY, SOUTH CAROLINA

_____

_____, Chair, County Council

_____

_____, Secretary, County Council

ATTEST:

_____

_____, Clerk to Council

COMPANY SIGNATURES FOLLOW ON NEXT PAGE.

PROJECT LATHE

_____

Name

_____

Title

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

EXHIBIT A

DESCRIPTION OF LAND

EXHIBIT B

ANNUAL INVESTMENT CERTIFICATION

To be Filed Annually, by May 31st, with:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina 29721

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina 29721

I _____, the _____ of Project Lathe (the "Company"), do hereby certify in connection with the Fee In Lieu of Tax and Incentive Agreement dated as of _____, 2023 (the "Agreement") between Lancaster County, South Carolina, and the Company as follows:

(1) As of December 31, 20__, the total amount of Special Source Revenue Credits received by the Company is as follows:

Special Source Revenue Credits received by the Company $ _____

(2) As of December 31, 20__, the total amount of investment by the Company in Project Costs of Special Source Improvements is not less than $_____.

(3) As of December 31, 20__, the capital investment in the Project made and maintained by the Company is not less than $_____.

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__.

PROJECT LATHE

By:_____
Name:_____
Its:_____

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1875
Contact Person / Sponsor: Dennis Marstall / Administration
Department: Finance
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Council is being asked to approve Ordinance 2023-1875 that restores project funding that was budgeted in FY23 for Administration Building renovations to the project account for FY24.

Points to Consider:
In FY23, County Council approved $75,000 for design and architecture fees and initial costs to renovate the administration office area of the County Administration Building.

The Administration area is being renovated to provide office space for the new in-house legal function, update and better maximize space in the employee break room, and reconfigure the Administration offices to better utilize the space to add an office and make the office one connected suite for Administration and Legal.

The project was bid in three phases with the low bid being $286,941 for all three phases.

Council approved $228,000 for the renovation, plus $20,000 for cubicles and furniture, in the FY 24 budget. The $228,000 requested was with the intention of rolling $59,0000 in unexpended funds from the project funds in FY23 (architect fees totaled $16,000 in FY 23).

However, the project was bid over the two fiscal years (FY23 and FY24) with the project contract being signed in July (after the end of FY23), thus the project funds of $59,000 were moved from the project account and put in fund balance at the close out of Fiscal Year 23.

Two phases of the renovation project have begun, and Administration would still like to do the third phase, instead of having to rebid, demo and construct the small work that remains for phase 3, which would be at a much more substantial cost to start a new project.

Funding and Liability Factors:
This request is utilize $65,000 in fund balance to add or return $59,000 in funds from FY 23 that were identified for the Administration Office renovation project, but placed in Fund Balance with the end of the fiscal year and add it to the FY 24 renovation project fund to complete all three phases of the Administration office renovation.

This action would also add $6,000 from Fund Balance to the Administration Office renovation project for FY24 to add sound insulation for some of the offices and address additional IT data port expenses.

The total project cost would go from $237,711 for phases one and two to $286,941 to add phase 3 ($59,000), plus additional sound proofing and IT items ($6,000).

Recommendation:
Approve the Budget Amendment Ordinance.

ATTACHMENTS:

Description	Upload Date	Type

Ordinance 2023-1875	9/7/2023	Ordinance
Public Hearing Notice for Ordinance 2023-1875	10/4/2023	Public Hearing Notices

STATE OF SOUTH CAROLINA)
) ORDINANCE NO. 2023-1875
COUNTY OF LANCASTER)

~~Indicates Matter Stricken~~
Indicates New Matter

AN ORDINANCE

TO AMEND ORDINANCE NO. 2023-1849, RELATING TO THE APPROPRIATION OF FUNDS AND THE APPROVAL OF A DETAILED BUDGET FOR LANCASTER COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2023 AND ENDING JUNE 30, 2024 (FY 2023-2024), TO FURTHER PROVIDE FOR REVENUES AND EXPENDITURES DURING THE FISCAL YEAR; AND TO PROVIDE FOR MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Appropriations; Detailed Budget.

(a) Section 2 and Section 4. of Ordinance No. 2023-1849 are amended to read:

A. Subject to the terms and conditions of this ordinance, the sums of money set forth below, if so much is necessary, are appropriated from the General Fund of the County and other applicable funds as specified, to meet the ordinary expenses, including debt service, of county government for the fiscal year beginning July 1, 2023 and ending June 30, 2024 (FY 2023-2024):

APPROPRIATIONS	AMOUNT
Airport Fund	376,738
Capital Improvement Fund	2,956,695
Capital Project Sales Tax 2 Fund	2,500,000
County Debt Fund	4,511,750
County Transportation Committee Fund	12,000,000
Court Mandated Security Fund	2,081,750
E-911 Fund	1,613,960
General Fund	85,006,011 ~~84,941,011~~
Hospitality Tax Fund	1,900,000
Indian Land Fire Protection District Fund	350,810
Local Accommodations Tax Fund	120,000
Pleasant Valley Fire Protection District Fund	380,293
Victims Services Fund	47,000
State Accommodations Tax Fund	224,250
Stormwater Fund	2,752,975
Van Wyck Fire Protection District Fund	155,520
Capital Project Sales Tax 3 Fund	15,001,500

(b) The County Administrator is authorized to adjust the detailed operating budget for the County, as contained in the adopted FY 2023-2024 Annual Budget, as previously approved by Council via Ordinance No. 2023-1849, for the following items:

		Revenue	Expense
General Fund	Supplemental Revenue-Fund Balance	$65,000	
	County Council – Special Projects Administration Renovations		$65,000

Section 4. Severability.

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 5. Conflicting Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained in the Lancaster County Code or other County ordinances, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 6. Effective Date.

This ordinance is effective upon third reading.

SIGNATURES FOLLOW ON NEXT PAGE.

AND IT IS SO ORDAINED, this _____ day of October, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Steve Harper, Chair, County Council

_____
Billy Mosteller, Secretary, County Council

ATTEST:

_____
Sherrie Simpson, Clerk to Council

First Reading:	September 11, 2023
Second Reading:	September 25, 2023
Public Hearing:	October 9, 2023
Third Reading:	October 9, 2023

Approved as to form:

_____
Virginia L. Merck-Dupont, County Attorney

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The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-283-1133

PUBLIC HEARING NOTICE

Fiscal Year 2023-2024 LANCASTER COUNTY BUDGET

The County of Lancaster will hold a public hearing on **Monday, October 9, 2023** at 6:00pm in County Council Chambers, County Office Building, 101 N. Main St., 2nd floor, Lancaster, SC, for the purpose of obtaining written and oral comments from the public concerning the adoption of an Ordinance amending the Fiscal Year 2023-2024 County Budget. Public comments may be made in person at the hearing or submitted in written format to be provided to County Council at the public hearing. Comments made in person or in writing should be limited to three (3) minutes in duration if read aloud. Written comments may be submitted either by online submission by selecting the "public hearing comments" quick link located on the county website homepage (https://www.mylancastersc.org/), by email to ssimpson@lancastersc.net, or by mail addressed to Clerk to Council at Post Office Box 1809, Lancaster, SC 29721 with the Ordinance number or other appropriate identifier clearly referenced in the communication. At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee or by submission of written comments.

ORDINANCE 2023-1875 TO AMEND ORDINANCE 2023-1849

TO MAKE SUPPLEMENTAL APPROPRIATIONS FOR LANCASTER COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2023 AND ENDING JUNE 30, 2024 (FY2023-2024); TO SPECIFY THE SOURCE OF FUNDS FOR THE SUPPLEMENTAL APPROPRIATIONS:

		Revenue	Expense
General Fund	Supplemental Revenue-Fund Balance	$65,000	
	County Council – Special Projects Administration Renovations		$65,000

At the time and place fixed for said public hearing, all interested persons who appear will be given an opportunity to express their views for or against this ordinance. Persons requiring special arrangements to attend this meeting due to a physical disability should contact the Administrator's office at 285-1565 at least 24 hours in advance.

Publish Wednesday, September 20, 2023 Lancaster News

I hereby certify that on the above notice published in The Lancaster News, a general circulation in Lancaster County, South Carolina, in accordance with law on September 20th 2023.

SWORN to before me this 25th day of September, 2023

Ashley L Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027

NOTARY PUBLIC SOUTH CAROLINA

Newspaper Rep Signature Kristi Ross

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1864 / Planning Case Number: UDO-TA-2023-0975
Contact Person / Sponsor: A. Hardin / Planning
Department: Planning
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Approve the text amendment for Sec. 6.5 County Street Classification & Design: Application by Planning Department on behalf of County Council to amend Section 6.5 County Street Classification & Design.

Points to Consider:
Updates Since 1st Reading:

- Language has been amended to address the Council's input regarding parking on streets:

LOCAL (URBAN) ROAD
Roads that primarily serve as access to residences, businesses and other properties. They distribute traffic to higher functional classification streets in the network. These roads should have the lowest traffic counts in the urban network, which includes the transitional and neighborhood zones as shown in Section 2.5.3. **Beginning October 1, 2023, i**nformal on-street parking is not allowed on local (urban) streets with less than 30 feet of pavement width. On-street parking is allowed with an approved parking plan that includes parking stalls designed to work with the street.

- Staff has heard some concerns regarding "unintended consequences" of the gravel-road option for AR/RR zones, including that the proposed option does not have a limit on the number of lots that could be created using gravel roads. If the Council chooses, the following language could address these concerns:

* Local (rural) private roads in the AR and RR zones may replace pavement with an all-weather gravel surface that meets the fire code standards. This exception must be approved by the fire marshal prior to subdivision final plat approval. **No more than twenty (20) new lots may be created using gravel roads; creating more than twenty (2) new lots requires a paved surface as described in Section 6.14 Road Construction Standards.**

Update since 2nd reading:

- Staff has added notes to the UDO to call dead-end roads with circular ending "cul-de-sac roads" rather than "cul-de-sacs" for clarity when applying distance measurements. This was not included in the current section because there are 18 other references to cul-de-sac in the UDO and staff believes it would be best handled in the rewrite. If Council would like to accelerate that process, we can provide an ordinance that does that at your instruction.
- Staff will have a presentation regarding the history behind "who pays after lot 20?" when the rules have been applied in the County prior to this ordinance.

Funding and Liability Factors:
N/A

Recommendation:
Approve the text amendment Ordinance.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1864	9/18/2023	Ordinance

Application	7/12/2023	Exhibit
Letter from Brown Family	7/11/2023	Letter
Staff Report	9/21/2023	Planning Staff Report

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

ORDINANCE NO. 2023-1864

AN ORDINANCE

TO AMEND THE UNIFIED DEVELOPMENT ORDINANCE ("UDO") SECTIONS 4.4.1 (CLUSTER SUBDIVISION OVERLAY DISTRICT), 6.14 (ROAD CONSTRUCTION STANDARDS), AND 10.4 (DEFINITIONS), ALL PERTAINING TO STREET DEFINITION AND DESIGN, ON THE EFFECTIVE DATE OF THIS ORDINANCE

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and Determinations.

The Council of Lancaster County ("Council) finds and determines that:

(a) Lancaster County initiated a full rewrite of the Unified Development Ordinance (UDO) in October 2021 to address substantive issues with the UDO, has retained a UDO consultant to assist in the full rewrite of the UDO, and the full rewrite is expected to take another twelve (12) to eighteen (18) months to complete.
(b) Development interest and activity in Lancaster County continues to increase, and families need to divide their land, at times requiring an amendment to technical requirements for roads.
(c) The current Lancaster County UDO requires that all major subdivisions of land, regardless of location, have paved roads to access new lots. This impacts families in rural areas where traffic counts are low and roads are not often traveled.
(d) The current Lancaster County UDO also has conflicting information regarding alley construction and use, and is void of definitions for the types of roads used in other sections of the code to describe permitted uses.
(e) The proposed text amendment would provide an alternative to paving new roads to properties in agricultural and rural areas, would define "local," "collector," and "arterial" roads in the context of urban and rural areas, and would unify the design standards for alleys.
(f) The text amendment is consistent with the goals of the Comprehensive Plan as required by UDO Section 9.2.15.B.3, as well as applicable provisions of South Carolina Code, Title VI.
(g) Lancaster County Planning Commission considered the proposed text amendment at its meeting on July 18, 2023 and by a 5-0 vote recommended approval.

Section 2. Amendment of Ordinance 2016-1442 (Unified Development Ordinance)

Ordinance 2016-1442 (Unified Development Ordinance), is amended as set forth in the "Interim Ordinance - Exhibit 1" attached hereto and incorporated herein by reference.

Section 3. Severability.

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 4. Conflicting Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, the provisions contained in this ordinance, to the extent to of the conflict, supersede all other provisions and this ordinance is controlling.

Section 5. Effective Date.

This ordinance is effective upon Third Reading.

AND IT IS SO ORDAINED

Dated this _____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Steve Harper, Chair, County Council

_____
Billy Mosteller, Secretary, County Council

ATTEST:

_____
Sherrie Simpson, Clerk to Council

First Reading: August 14, 2023
Public Hearing: August 14, 2023
Second Reading: September 25, 2023
Third Reading: October 9, 2023

Approved as to form:

_____
Virginia Merck-Dupont, County Attorney

PROPOSED TEXT AMENDMENTS
Language proposed for deletion is ~~strikethrough~~
Language proposed for addition is highlighted in yellow and underlined
Language changes and/or additions since 1st reading are highlighted in green and underlined

4.4.1.I.5.a.

Road Type	Right-of-Way (feet)	Pavement (feet)
Local (closed drainage)	50	22
Local (open drainage) – follow guidance for collector (rural)	66	~~22~~ 24
Collector – follow guidance for collector (rural)	66	24

6.14 ROAD CONSTRUCTION STANDARDS

6.14.1 ROAD DESIGN (GEOMETRIC CRITERIA)
In general, geometric criteria for road design shall be in accordance with standards of the South Carolina Department of Transportation (SCDOT). Said standards are those contained in the latest edition of "A Policy on Geometric Design of Highways and Streets" by the American Association of State Highway and Transportation Officials. Local and collector residential roads that will be maintained by the County shall be designed in accordance with the following standards.

A. Minimum right-of-way and pavement width shall be as follows:

ROAD TYPE	RIGHT-OF-WAY (FEET)	PAVEMENT (FEET)
Alley	15	12
Local (Urban)	50	22
Local (Rural)	60	22*
Collector (Urban)	60	24
Collector (Rural)	66	24
Commercial/Arterial (Urban)	60	26
Commercial/Arterial (Rural)	66	26

Additional right-of-way or pavement width will be provided as determined necessary by County Council for high density residential or nonresidential subdivisions or portions thereof.
* Local (rural) private roads in the AR and RR zones may replace pavement with an all-weather gravel surface that meets the fire code standards. This exception is limited to the first twenty (20) lots created after the adoption of this ordinance, and must be approved by the fire marshal prior to subdivision final plat approval. Creating more than twenty (20) new lots requires a paved surface as described in Section 6.14 Road Construction Standards.

B. Cul-de-sacs shall not exceed 500 feet in length, except where unusual topographic or other

physical conditions dictate otherwise, and shall have a turnaround with 90 feet minimum diameter to pavement edge and 100 feet minimum diameter to right-of-way line. Dead end streets without turnarounds are prohibited. In no case shall a cul-de-sac serve more than 20 residential lots.

C. Design speed, sight distance, and centerline radius shall be as follows:

	Alley	Local	Collector	Commercial/Arterial
Design Speed	10 mph	25 mph	25 mph	35 mph
Minimum sight distance on vertical curve	n/a (not allowed to be curved)	150 ft	200 ft	225 ft
Minimum centerline radius	n/a (not allowed to cul-de-sac)	150 ft	200 ft	250 ft

10.4 DEFINITIONS, GENERALLY

ALLEY Alleys are intended to provide indirect, limited access to the rear of properties but not to accommodate through traffic. Utilities, either above ground or underground, may be located in alleyways to provide service connections to rear elevations. Alleys are limited to one lane of traffic and should be one way only unless there is not a connecting roadway to complete the network. Alley design should be straight (180 degrees) and may not curve. Alleys may not end in cul-de-sacs and must connect to another road in the network (usually a local road). On-street parking is strictly prohibited on alleys.

LOCAL (URBAN) ROAD
Roads that primarily serve as access to residences, businesses, and other properties. They distribute traffic to higher functional classification streets in the network. These roads should have the lowest traffic counts in the urban network, which includes the transitional and neighborhood zones as shown in Section 2.5.3. Informal on-street parking is not allowed on local (urban) streets with less than 30 feet of pavement width after the date of adoption of this ordinance. On-street parking is allowed with an approved parking plan that includes parking stalls designed to work with the street.

LOCAL (RURAL) ROAD
Local roads and streets primarily serve as access roads to farms, residences, businesses, and other properties. They distribute traffic to highways in the higher functional classification network. These roads should have the lowest traffic counts in the county-wide network and are found in rural zones as shown in Section 2.5.3.

COLLECTOR (URBAN) ROAD

Collector routes are characterized by a roughly even distribution of their access and mobility functions. Traffic volumes and speeds will typically be somewhat lower than those of arterials. Access to properties is normally allowed on collector roads unless a traffic impact analysis (TIA) performed in the area indicates a shared access is safer. Collector streets (urban) serve as intermediate links between the arterial system and points of origin and destination, providing access and traffic circulation within residential neighborhoods and commercial/industrial areas.

Collector (urban) roads are found in the transitional, special, and neighborhood zones as shown in Section 2.5.3. In fully developed areas, spacing generally is approximately ½ mile between routes. On-street parking is not allowed on collector (urban) roads.

COLLECTOR (RURAL) ROAD

Collector routes are characterized by a roughly even distribution of their access and mobility functions. Traffic volumes and speeds will typically be somewhat lower than those of arterials. Access to properties is normally allowed on collector roads.

The function of rural collector roads is to serve travel needs within the county and collect traffic flow from the rural local roads to the rural arterials and to distribute traffic flow from arterials back to the local roads. These collectors are found in the rural network, which includes rural zones as shown in Section 2.5.3. On-street parking is not allowed on collector (rural) roads

COMMERCIAL/ARTERIAL (URBAN) ROAD

Commercial/arterial (urban) roads are characterized by their ability to quickly move relatively large volumes of traffic but are often impacted by access to abutting properties. They have the highest travel speeds and the longest trip movements. Development along arterials should encourage shared driveways and/or frontage roads in order to manage highway access points.

Commercial/arterials may take the form of multilane facilities (divided or not), two-lane rural highways, four lane urban street, or major two-lane urban street. At no time will an arterial consist only of gravel and/or dirt for a road surface; all arterials will be paved.

Commercial/arterial (urban) roads are found in the transitional, special, and neighborhood zones as shown in Section 2.5.3.

COMMERCIAL/ARTERIAL (RURAL) ROAD

Commercial/arterial (rural) roads are characterized by their ability to quickly move volumes of traffic but are often impacted by access to abutting properties and slow-moving machinery using the road as transportation between fields. They have the highest travel speeds and the longest trip movements and provide a mix of intrastate/interstate and intercounty travel service.

Commercial/arterial (rural) roads provide service to, through, and/or around urban areas from rural areas, may provide for significant suburban travel demands, and may warrant management of access to the highway. Commercial/arterial (rural) roads are found in rural zones as shown in Section 2.5.3 and generally do not penetrate neighborhoods.

Planning Department
P.O. Box 1809, 101 N. Main Street, Lancaster, SC 29721
Phone: 803.285.6005, planning@lancastercountysc.net
www.mylancastersc.org

TEXT AMENDMENT APPLICATION

SUBMITTAL REQUIREMENTS

- Completed Application
- Signatures of Applicant
- Fees associated with Application

GENERAL INFORMATION

UDO Section(s) Proposed to be Amended _____

Current Text _____

_____

_____

_____

_____

_____

Proposed Text _____

_____

_____

_____

_____

_____

Description of Need for Proposed Text _____

_____

_____

_____

_____

_____

☐ Additional pages attached for more information

CONTACT INFORMATION

Applicant Name _____

Address _____

City _____ State _____ Zip _____ Phone _____

Fax _____ Email _____

APPLICATION CERTIFICATIONS

I hereby certify that I have read this application and the information supplied herein is true and correct to the best of my knowledge. I agree to comply with all applicable County ordinances and state laws related to the use and development of the land. I further certify that I am the property owner, or his/her authorized agent, or the subject property. I understand that falsifying any information herein may result in rejection or denial of this request.

_____ _____

Applicant Date

_____ _____

Property Owner(s) Date

Attach owner's notarized written authorization with property information if the applicant is not the owner.

LANCASTER COUNTY OFFICE USE ONLY

Application Number _____ Date Received _____Receipt Number _____

Amount Paid _____ Check Number _____ Cash Amount _____

Received By _____ Planning Commission Meeting Date _____

SCHEDULE/PROCESS

1. **Submit Application**

- The deadline for this application is at least 45 days prior to the Planning Commission meeting, held every third Tuesday of the month.
- Once an application is submitted, it is placed on the Planning Commission agenda for the following month.
- An application withdrawal should be made in writing and received prior to public notice in order to receive a refund.
- Text Amendment Application Fee - $435.00

2. **Planning Commission**

- Conducts a public hearing on the application to receive input from Lancaster County citizens, applicant, and other interested parties.
- Reviews the application to ensure it is consistent with the Lancaster County Unified Development Ordinance, Comprehensive Plan, and all adopted County plans.
- Makes a recommendation to the County Council.

3. **County Council**

- Approves, denies, or submits application to the Planning Commission for further study.
- Action requires three readings for approval

WYATT BROWN ESTATE

3106 PASTURE LANE
LANCASTER, SC 29720
(301)775-2708 WYSCLE WASHINGTON
WYSCLE@YAHOO.COM

July 11, 2023

Greetings County Council members,

On behalf of the descendants of Wyatt Brown Sr. we would like to submit for your consideration some of our concerns, questions, and potential solutions as they relate to pending legislation for rural communities that impact our property and its infrastructure – (in particular our roads). We are not developers, builders or contractors; nor do we have generational wealth in the form of stocks and bonds, but we do have possession of a land inheritance given to us by our grandfather, Wyatt, Sr. which gives us concern to write to you today. As a family, we are seeking a resolution that will provide us and other families living in privately owned rural communities, the liberty to maintain our roads with support from the County Council for sustainable alternative solutions.

We recognize the long process the council is undergoing to create a separate set of rules and guidelines that would govern rural privately owned roads as opposed to subdivisions like Indian Land that are governed by the 2016 SUBDIVISION AND INFRASTRUCTURE STANDARDS. As this effort continues with a decision planned to be announced at the next council meeting on July 18, 2023, specifying privately owned rural roads be made 20 feet wide and 12" of graveled surface, we as a family are making a formal request for the Planning Department to implement guidelines as follows:

1. Provide options for a waiver/variance to rural areas that fall well below the infrastructure of other more developed subdivisions which are governed by the 2016 SUBDIVISION AND INFRASTRUCTURE STANDARDS for privately owned roads.
2. Provide privately owned inherited landholders the right to maintain the integrity of their raw property and roads without any interference from county officials.

3. Allowances under Statutory Exemptions in section B of 6 SUBDIVISION AND INFRASTRUCTURE STANDARDS DRAFT 10.24.16

These exceptions would assist in the upkeep and maintenance of all site infrastructure including but not limited to:

- Dirt Roads - treated and surfaced with sustainable products like Perma-Zyme/soil stabilizer
- Alternatives to Gravel Roads such as crushed stone #411, quarry process,
- Compliance with road Width/dimensions per Public Works
- Gravel Driveways with alternates such as pea gravel, jersey shore gravel, marble chips or river rock.
- Road Soil Conditions/ stormwater management and drainage systems

In rare cases we understand that if we build a new home it would become necessary to pave or gravel our private roads, install street lights, and sidewalks, etc., like Indian Land as required by the 2016 rules and guidelines that govern subdivisions. They have many houses consolidated in one location on a small or large piece of land. The Brown Estate is not like Indian Land, nor do we want or need the rules and guidelines that apply to this and other like communities. The 2016 rules and guidelines should apply to contractors, developers, and builders. As stated previously before the council, when the 2016 rules and guidelines were being considered, it appears no one thought of the little guys like us who live in rural moderately developed communities (farmland). We believe It's time to rethink and tailor these guidelines to match our conditions.

We would like to maintain our infrastructure with minimal requirements for gravel except where it's absolutely necessary for EMS and Fire safety vehicles to have access to homes. However, most of our property is not at that point and is under utilized. Family members who own property on the backside of our land do not visit often or currently plan to build. Therefore, it is highly unlikely roads in these areas would require gravel. Should our family desire in the future to promote growth and development on our privately owned land, then we would make sure all development is in compliance with local codes. Furthermore, requiring rural property owners to unnecessarily gravel and widen all roads and driveways would cause undue financial hardship to every rural property owner.

Lastly, we have a road that is registered as a private road/driveway. It leads to other family members' properties on the backside of our land. There is however one problem on our land that prevents access due to a washed out gully in the road. We agree with the laws established, stating that everyone should be able to access their property. In this case our family is in agreement that repairs are needed. The gully is very deep and could cause injury if attempting to walk across it. When this section of road is repaired it will allow all family members access to other areas of our land which are as beautiful as the stars in the sky. Of Course this will come at a cost. We would need to attain the financial support and manpower for repairs.

To widen and gravel this private road (which is more than 2 miles long) to meet the suggested standard of 22 feet wide with 12" of gravel top surface is insurmountable - not to mention the cost of maintaining it. What does private property mean to you? To us, it speaks of ownership (our legacy) and we would like to decide what happens with our property and the development thereof. We want it to retain its natural rural characteristics as we decide when it's the right time to upgrade our roads.

We thank you in advance for your consideration and attention to this matter. We look forward to your favorable response during the upcoming council meeting on July 18, 2023.

Respectfully submitted,
The Descendants of the late Wyatt Sr. and Francina Brown:

1. The late James H. Brown last will and testament to Framishile Brown
2. The late Eugene Brown last will and testament to Brown family
3. The descendants of the late Ella Cooper and Robert Crockett
4. The descendants of the late Willie Lincoln and Bernice Brown
5. The descendants of the late Elvenue and John C. Waiters
6. Mae Dean Brown and the late Wyatt Brown Jr. and their descendants
7. The descendants of the late Nannie Patricia B. Davis and Thomas Mackey
8. Wyscle (Clarence) Washington and the late Clement Johnson and their descendants
9. Ethel Brown and the late William Arthur Brown and their descendants
10. Frances Lloyd and Nannie Lue Brown and their descendants

Signed in Consent of the Descendants of the Wyatt Brown Estate
Signature: Wyscle Brown Washington Wyscle Brown Washington
Signature: Gwendolyn Brown Gwendolyn Brown
Signature: Andre' Johnson Clemon A. Johnson

PROPOSAL:	Amend Unified Development Ordinance Standards for Road Hierarchy.
APPLICABLE CHAPTER(S):	6.14 (Road Construction Standards), 10.4, 4.4.1
APPLICANT:	Lancaster County Council

STATED CONCERN: Appeal from the public to amend regulations relating to subdividing heirs' property in rural areas.

ADDITIONAL CONCERN: The UDO does not have consistent terminology or standards for road types.

BACKGROUND:
Earlier in 2023, the County received requests from two separate families who were interested in subdividing their rural properties for distribution among family members. Both were impacted by sections of the code that related to maximum street length and number of lots accessing off of a dead-end road. .

In April 2023, the County Council passed an ordinance (after recommendation from the Planning Commission) that amended Section 6.4.1 – Connectivity, essentially grandfathering in streets that were built at the time the current UDO was adopted in 2016 from meeting current block length, block width, through-block connections, and cul-de-sac design standards. This permitted one family to move forward, but the other remains impacted by regulations that result in additional cost to subdivide; namely, road construction.

Current UDO guidance in Section 6.14 includes required width for three types of rights-of-way: local, collector, and commercial/arterial roads. Road projects in the County have previously been classified as one of these three. Each requires a certain width of pavement.

Two potential changes have been discussed in development meetings:

1. For family subdivisions in rural areas where traffic is not a concern, ***is it possible to reduce the street design requirement from pavement to an all-weather surface***, like gravel?

2. There is a conflict regarding "alley" design between the limited choices of road type and other sections of code (specifically Chapter 3 and Detail R8 in Appendix C). Alleys are typically one-way, one-lane roads but are not accommodated in the geometric criteria of 6.14.1, which can lead to review as two-lane paved areas with 50-foot rights-of-way. ***The road type list should include "alley" roads with dimensions that match Detail R8 of Appendix C*** (12 - 15' paved road and 1.5' gutter on each side, for a minimum of 15' ROW).

SUPPORTING DATA

HEALTHY NEIGHBORHOOD STREET DESIGN STANDARDS (Source: ***Street Design Guidelines for Healthy Neighborhoods*** by Dan Burden, Michael Wallwork PE, Ken Sides PE, Ramon Trias, and Harrison Rue):

Street Type	Max Width	Max Design Speed	Max Corner Radius	Max Centerline Radius	Curb	Median	Max Street Length	Vehicle Volume	Walk Way	Bike Lanes	Trees	2-Way Traffic	Parking
Trail	8-14'	20 mph	n/a	95'	no	n/a	n/a	na	n/a	n/a	yes	yes	no
Alley	10-12'	10 mph	15'	50'	no	n/a	400'	200	no	no	no	yes	no
Lane	16-18'	20 mph	15'	90'	option	no	600'	200	both	no	yes	option	1 side
Street	26'	20 mph	15'	90-120'	option	no	1,320'	600	both	no	yes	yes	2 sides
Avenue	varies	30 mph	15-25'	250'	yes	option	n/a	3-20K	both	yes	yes	yes	option
Main Street	varies	15-25 mph	15-25'	600'	yes	option	2,600'	3-10K	both	option	yes	yes	option
Boulevard	varies	30-35 mph	25'	500'	yes	yes	n/a	20-40K	both	yes	yes	yes	option
Parkway	varies	45+ mph	25'	1,000' +	no	yes	n/a	20-60K	no	trails	yes	yes	no

SCDOT Definitions

Local Roads and Streets: Local roads and streets primarily serve as access roads to farms, residences, businesses and other properties. They distribute traffic to highways in the higher functional classification network.

Rural: A major part of the rural highway system consists of two-lane local roads. These roadways should be designed to accommodate the highest practical criteria compatible with traffic and topography.

Urban: A local urban street is a public roadway for vehicular travel including public transit and refers to and includes the entire area within the right of way. The street also serves pedestrian and bicycle traffic and usually accommodates public utility facilities within the right of way. The development or improvement of these streets should be based on a functional street classification that is part of a comprehensive community development plan. The design criteria should be appropriate for the planned development. The two major design controls are (1) the type and extent of urban development with its limitations on right of way, and (2) zoning or regulatory restrictions. Local streets primarily serve to provide access to adjacent residential development areas. The overriding consideration is to foster a safe and pleasant environment whereas the convenience of the motorist is secondary. Other local streets not only provide access to adjacent

development, but also serve limited through traffic. Traffic service features may be an important concern on these streets (e.g., traffic signals, left-turn lanes).

Collector roads: Collector routes are characterized by a roughly even distribution of their access and mobility functions. Traffic volumes and speeds will typically be somewhat lower than those of arterials. Access to properties is normally allowed on collector roads.

The function of rural collector roads is to serve intracounty travel needs and collect traffic flow from the rural local roads to the rural arterials and to distribute traffic flow from arterials back to the local roads.
In rural areas, the collectors provide the following functions:

- provide access to adjacent land uses;
- carry traffic into areas with sparse development;
- serve larger towns and significant traffic generators (e.g., shipping ports, mining areas) that are not served by an arterial or freeway;
- spaced at intervals consistent with the traffic population density to accumulate traffic from local roads;
- provide service to smaller communities; and
- link locally important traffic generators with higher classified routes.

In urban areas, collector streets serve as intermediate links between the arterial system and points of origin and destination. Urban collectors typically have the following characteristics:

- provide both access and traffic circulation within residential neighborhoods and commercial/industrial areas;
- may penetrate residential neighborhoods or commercial/industrial areas to collect and distribute trips to and from the arterial system;
- in fully developed areas, spacing generally is approximately ½ mile between routes and, within the Central Business District, between 650 feet and ½ mile;
- may be an urban extension of rural collector roads; and
- often include local bus routes.

Arterials: Arterial highways are generally characterized by their ability to quickly move relatively large volumes of traffic, but is often impacted by access to abutting properties. The arterial system typically provides for high travel speeds and the longest trip movements. The rural and urban arterial systems are connected to provide continuous through movements at approximately the same level of service.

The freeway is the highest level of an arterial. These facilities are characterized by full control of access, high design speeds and a high level of driver comfort and safety. For these reasons, freeways are considered a special type of highway within the functional classification system, and separate design criteria.

Arterials have the following general characteristics:

- consist of a connected network of continuous routes;
- in rural areas, provide a mix of interstate and intercounty travel service;
- provide service to, through or around urban areas from rural arterial routes and may be connecting links;
- provide for significant urban and suburban travel demands (e.g., between central business districts (CBD) and outlying residential areas, between major inner city communities, between major suburban centers);
- serve long distance traffic within an urban area by connecting major regional activity centers not served by connecting links or may provide service for trips of moderate length;
- may be a multilane undivided facility, divided facility, two-lane rural highway, major two-way city street or a one-way pair system;
- typically warrant management of access to the highway;
- may be included in the National Highway System (NHS); and may carry local bus routes and provide intra-community continuity, but generally will not penetrate neighborhoods.

SAMPLE CLASSIFICATION SYSTEM *(Source: City of Myrtle Beach)*

Road Classification System

A street network performs most efficiently and safely from both a traffic operation and a road safety perspective if roads are designated and operated to serve their intended purposes. A road classification system designates streets into different groups or classes according to the type of service each group is intended to provide. This is a fundamental tool for urban development and road management. Grouping roads with similar functions can improve transportation planning, road infrastructure design and maintenance, and traffic and road operations.

But while road classification can help meet the needs of communities for transportation services, just as importantly, it can help protect against the adverse impacts of motorized traffic in residential areas. Some roads should carry higher volumes of traffic at higher speeds, while others (the majority) carry lower volume at lower speeds. This allows residential neighborhoods to exist between main traffic corridors. The absence of a hierarchy of roads would result in less efficient routes for traffic with associated increases in the time and cost of transporting people (whether by foot, bike, bus or car) and goods. The quality of urban life would also decline as motorized traffic would increasingly infiltrate into residential neighborhoods to avoid mounting congestion - *Appendix K: City of Myrtle Beach Roadway Classification Systems Map 2009.*

The following is a glossary of terms used in the roadway classifications system for the city of Myrtle Beach.

• *Minor Street* is a two-lane, residential or commercial, street controlled by stop signs at two-way-stop controlled intersection.

• *Major Street* is a two-lane, residential or commercial, street not controlled by stop signs at a two-way stop-controlled intersection providing connection to minor and major collectors and minor arterials.

• *Major Commercial* is a two or four-lane commercial street not controlled by stop signs but signalized intersections.

• *Minor Commercial* is a two-lane commercial street controlled by stop signs at intersections.

• *Minor Collector* is a two-lane street providing lane access and traffic circulation within residential, commercial, and industrial areas and connection between major collectors and minor arterials with low density of driveways.

• *Major Collector* is a four-lane street providing lane access and traffic circulation within residential, commercial, and industrial areas and connection between minor arterials with relatively high density of driveways.

• *Minor Arterial* is a functional category of street allowing trips of moderate length within a relatively small geographical area; signalized street that primarily serves through-traffic and secondarily provide access to abutting properties with signal spacing of two miles or less.

• *Principle Arterial* is a major surface street with relatively long trips between major points, and with through trips entering, leaving and passing through the urban area.

STAFF RECOMMENDATIONS:

Staff recommends amended Sections 4.4.1.I.5.a, 6.14.1.A through C, and Section 10.4 as follows.

- **Allow local rural roads to be an all-weather surface compacted properly and to the standards in the fire code that would allow fire apparatus access, in exchange for requiring paved roads. Limit this application to AR (Agricultural Residential) and RR (Rural Residential) zoning, rather than all rural land uses, for the following reasons:**
    - RN (Rural Neighborhood) zoning is targeted toward neighborhood development at rural lot scale (one dwelling unit per acre), with higher traffic counts than

general agricultural or rural uses; gravel roads are not appropriate for neighborhood development.
    - RUB (Rural Business) zoning allows for business operations. Businesses pull in more traffic than residential uses, and gravel roads are not appropriate for higher traffic uses.
    - MH (Manufactured Home) zoning accommodates manufactured home subdivisions and parks; these have higher traffic counts than general agricultural or rural uses. Gravel roads are not appropriate for neighborhood development.
- **Amend the definition of "Alley" in the UDO to indicate the road is intended to be one-way and limited to 15 ft maximum width.**
    - **Add notation on the exhibits in Appendix C.**
- **Add definitions of "local," "collector," and "arterial" roads to the general definitions section.**
- **Add to the list of updates to the UDO that are in process (for future action):**
    - Clean up the conflicts between Road Design and Cluster development.
    - Create a full road hierarchy table, including min/max width, curb requirements, tree well depth and planting, sidewalk min width, etc.
    - Further refine the definitions of the main street classifications created by this ordinance, as needed.

STAFF CONTACT:
Allison Hardin, Development Services Director
ahardin@lancastercountysc.net

PROPOSED TEXT AMENDMENTS
Language proposed for deletion is ~~strikethrough~~
Language proposed for addition is highlighted and underlined

4.4.1.I.5.a.

Road Type	Right-of-Way (feet)	Pavement (feet)
Local (closed drainage)	50	22
Local (open drainage) – follow guidance for collector (rural)	66	~~22~~ 24
Collector – follow guidance for collector (rural)	66	24

10.4 DEFINITIONS, GENERALLY

ALLEY Alleys are intended to provide indirect, limited access to the rear of properties but not to accommodate through traffic. Utilities, either above ground or underground, may be located in alleyways to provide service connections to rear elevations. Alleys are limited to one lane of traffic, and should be one way only unless there is not a connecting roadway to complete the network. Alley design should be straight (180 degrees) and may not curve. Alleys may not end in cul-de-sacs and must connect to another road in the network (usually a local road). On-street parking is strictly prohibited on alleys.

LOCAL (URBAN) ROAD
Roads that primarily serve as access to residences, businesses and other properties. They distribute traffic to higher functional classification streets in the network. These roads should have the lowest traffic counts in the urban network, which includes the transitional and neighborhood zones as shown in Section 2.5.3. Informal on-street parking is not allowed on local (urban) streets with less than 30 feet of pavement width. On-street parking is allowed with an approved parking plan that includes parking stalls designed to work with the street.

LOCAL (RURAL) ROAD
Local roads and streets primarily serve as access roads to farms, residences, businesses and other properties. They distribute traffic to highways in the higher functional classification network. These roads should have the lowest traffic counts in the county-wide network, and are found in rural zones as shown in Section 2.5.3.

COLLECTOR (URBAN) ROAD

Collector routes are characterized by a roughly even distribution of their access and mobility functions. Traffic volumes and speeds will typically be somewhat lower than those of arterials. Access to properties is normally allowed on collector roads unless a traffic impact analysis (TIA) performed in the area indicates a shared access is safer. Collector streets (urban) serve as intermediate links between the arterial system and points of origin and destination, providing access and traffic circulation within residential neighborhoods and commercial/industrial areas.

Collector (urban) roads are found in the transitional, special, and neighborhood zones as shown in Section 2.5.3. In fully developed areas, spacing generally is approximately ½ mile between routes. On-street parking is not allowed on collector (urban) roads.

COLLECTOR (RURAL) ROAD

Collector routes are characterized by a roughly even distribution of their access and mobility functions. Traffic volumes and speeds will typically be somewhat lower than those of arterials. Access to properties is normally allowed on collector roads.

The function of rural collector roads is to serve travel needs within the county and collect traffic flow from the rural local roads to the rural arterials and to distribute traffic flow from arterials back to the local roads. These collectors are found in the rural network, which includes rural zones as shown in Section 2.5.3. On-street parking is not allowed on collector (rural) roads

COMMERCIAL/ARTERIAL (URBAN) ROAD

Commercial/arterial (urban) roads are characterized by their ability to quickly move relatively large volumes of traffic, but are often impacted by access to abutting properties. They have the highest travel speeds and the longest trip movements. Development along arterials should encourage shared driveways and/or frontage roads in order to manage highway access points.

Commercial/arterials may take the form of multilane facilities (divided or not), two-lane rural highways, four lane urban street, or major two-lane urban street. At no time will an arterial consist only of gravel and/or dirt for a road surface; all arterials will be paved.

Commercial/arterial (urban) roads are found in the transitional, special, and neighborhood zones as shown in Section 2.5.3.

COMMERCIAL/ARTERIAL (RURAL) ROAD

Commercial/arterial (rural) roads are characterized by their ability to quickly move volumes of traffic, but are often impacted by access to abutting properties and slow-moving machinery using the road as transportation between fields. They have the highest travel speeds and the longest trip movements, and provide a mix of intrastate/interstate and intercounty travel service.

Commercial/arterial (rural) roads provide service to, through, and/or around urban areas from rural areas, may provide for significant suburban travel demands, and may warrant management of access to the highway. Commercial/arterial (rural) roads are found in rural zones as shown in Section 2.5.3 and generally do not penetrate neighborhoods.

6.14 ROAD CONSTRUCTION STANDARDS

6.14.1 ROAD DESIGN (GEOMETRIC CRITERIA)

In general, geometric criteria for road design shall be in accordance with standards of the South Carolina Department of Transportation (SCDOT). Said standards are those contained in the latest edition of "A Policy on Geometric Design of Highways and Streets" by the American Association of State Highway and Transportation Officials. Local and collector residential roads that will be maintained by the County shall be designed in accordance with the following standards.

A. Minimum right-of-way and pavement width shall be as follows:

ROAD TYPE	RIGHT-OF-WAY (FEET)	PAVEMENT (FEET)
Alley	15	12
Local (Urban)	50	22
Local (Rural)	60	22*
Collector (Urban)	60	24
Collector (Rural)	66	24
Commercial/Arterial (Urban)	60	26
Commercial/Arterial (Rural)	66	26

Additional right-of-way or pavement width will be provided as determined necessary by County Council for high density residential or nonresidential subdivisions or portions thereof.
* Local (rural) private roads in the AR and RR zones may replace pavement with an all-weather gravel surface that meets the fire code standards. This exception must be approved by the fire marshal prior to subdivision final plat approval.

B. Cul-de-sacs shall not exceed 500 feet in length, except where unusual topographic or other physical conditions dictate otherwise, and shall have a turnaround with 90 feet minimum diameter to pavement edge and 100 feet minimum diameter to right-of-way line. Dead end streets without turnarounds are prohibited. In no case shall a cul-de-sac serve more than 20 residential lots.

C. Design speed, sight distance, and centerline radius shall be as follows:

	Alley	Local	Collector	Commercial/Arterial
Design Speed	10 mph	25 mph	25 mph	35 mph
Minimum sight distance on vertical curve	n/a (not allowed to be curved)	150 ft	200 ft	225 ft
Minimum centerline radius	n/a (not allowed to cul-de-sac)	150 ft	200 ft	250 ft

Add notation on the exhibits in Appendix C: Alleys are limited to one lane of traffic, and should be one way only unless there is not a connecting roadway to complete the network. Alley design should be straight (180 degrees) and may not curve. Alleys may not end in cul-de-sacs and must connect to another road in the network (usually a local road). On-street parking is strictly prohibited on alleys.

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1876
Contact Person / Sponsor: Graham Shuford - Budget/Finance
Department: Finance
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Approve Ordinance 2023-1876.

Points to Consider:
As part of the State of South Carolina's Budget for Fiscal Year 2023-2024, additional funding was provided for salary supplements for full-time Magistrate Judges in the amount of $10,000 per year per full-time Magistrate. Salary supplement funding was also provided for Coroners and Registers of Deeds in the amount of $15,000 per year for each of the two positions. Coroners and Registers of Deeds already receive a yearly salary supplement from the State and the corresponding dollar amounts reflect the difference between the dollar amounts currently budgeted based on their previous supplement amounts and the new supplement amounts. Magistrate Judges have never received a yearly salary supplement from the State prior to the Fiscal Year 2023-2024 State budget.

Additionally, the County has been approached with a private donation to be used for public safety support in the amount of $107,500. An amendment is necessary to budget these funds as specified by the donor.

Lastly, $14,000,000 in excess revenue currently in the Capital Project Sales Tax 2 fund is to be transferred to Capital Project Sales Tax 3 fund for the purpose of constructing a new Detention Center. A budget amendment is necessary in order to show the funds moving from CPST 2 to CPST 3.

Funding and Liability Factors:
This action will allow staff to amend the Fiscal Year 2023-2024 budget to account for the identified supplemental revenue, the private donation, and the inter-fund transfer.

Recommendation:
Approve Ordinance 2023-1876.

ATTACHMENTS:

Description	Upload Date	Type
Fiscal Year 2023-2024 Budget Amendment Ordinance 2023-1876	9/20/2023	Ordinance

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

ORDINANCE NO. 2023-1876

~~Indicates Matter Stricken~~
Indicates New Matter

AN ORDINANCE

TO AMEND ORDINANCE NO. 2023-1849, RELATING TO THE APPROPRIATION OF FUNDS AND THE APPROVAL OF A DETAILED BUDGET FOR LANCASTER COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2023 AND ENDING JUNE 30, 2024 (FY 2023-2024), TO FURTHER PROVIDE FOR REVENUES AND EXPENDITURES DURING THE FISCAL YEAR; AND TO PROVIDE FOR MATTERS RELATED THERETO.

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Appropriations; Detailed Budget.

(a) Section 2 and Section 4. of Ordinance No. 2023-1849 are amended to read:

/A. Subject to the terms and conditions of this ordinance, the sums of money set forth below, if so much is necessary, are appropriated from the General Fund of the County and other applicable funds as specified, to meet the ordinary expenses, including debt service, of county government for the fiscal year beginning July 1, 2023 and ending June 30, 2024 (FY 2023-2024):

APPROPRIATIONS	AMOUNT
Airport Fund	376,738
Capital Improvement Fund	2,956,695
Capital Project Sales Tax 2 Fund	16,500,000 ~~2,500,000~~
County Debt Fund	4,511,750
County Transportation Committee Fund	12,000,000
Court Mandated Security Fund	2,081,750
E-911 Fund	71,613,960
General Fund	86,246,586 ~~86,072,236~~
Hospitality Tax Fund	1,900,000
Indian Land Fire Protection District Fund	350,810
Local Accommodations Tax Fund	120,000
Pleasant Valley Fire Protection District Fund	380,293
Victims Services Fund	47,000
State Accommodations Tax Fund	224,250
Stormwater Fund	2,752,975
Van Wyck Fire Protection District Fund	155,520
Capital Project Sales Tax 3 Fund	29,001,500 ~~15,001,500~~

(b) The County Administrator is authorized to adjust the detailed operating budget for the County, as contained in the Annual Financial Plan, as previously approved by Council in Section 2A) and Section 4 of Ordinance No. 2023-1849, for the following items:

		Revenue	Expense
General Fund	Supplemental Revenue-Intergovernmental	$66,850	
	State Pay Supplements		$66,850
General Fund	Supplemental Revenue-Donation	$107,500	
	Public Safety Support Donation		$107,500
Capital Project Sales Tax 2 Fund	Supplemental Revenue-Fund Balance	$14,000,000	
	Transfer to other fund		$14,000,000
Capital Project Sales Tax 3 Fund	Supplemental Revenue-Transfer from other fund	$14,000,000	
	Detention Center		$14,000,000

Section 4. Severability.

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 5. Conflicting Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained in the Lancaster County Code or other County ordinances, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 6. Effective Date.

This ordinance is effective upon third reading.

SIGNATURES FOLLOW ON NEXT PAGE.

AND IT IS SO ORDAINED, this 23rd day of October, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Steve Harper, Chair, County Council

_____
Billy Mosteller, Secretary, County Council

ATTEST:

_____
Sherrie Simpson, Clerk to Council

First Reading:	September 25, 2023
Second Reading:	October 9, 2023
Public Hearing:	October 23, 2023
Third Reading:	October 23, 2023

Approved as to form:

_____
County Attorney

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1877 / Planning Case Nunber: RZ-2023-1464
Contact Person / Sponsor: M. Blaszyk /Planning Department
Department: Planning
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Application by Brian Cillian/Greybridge MacMillan LLC and LEH SC MacMillan LLC to rezone 7.286 acres at 1662 MacMillan Park Drive (TM# 0007-00-008.05) from Light Industrial (LI) to Institutional (INS) District in order to convert existing structure to a K-12 private school facility.

Points to Consider:
The proposed private school is located within an existing industrial park. With its neighbors being Continental Tire and Unique Loom Facility

This site is one of the few contiguous tracts of Light Industrial Zoned land within the Panhandle.

Previous tenant has a Fee-in-lieu Agreement with Lancaster County, this will not be transferred to the current tenant.

The applicant is claiming the site will not cross the 50-trip threshold for a Traffic Impact Analysis. Has provided a memo.

Funding and Liability Factors:
Liability 1: the Comprehensive Plan does not support the request. If the Council elects to move forward with with the rezoning, a companion action to amend the Comprehensive Plan is required.

Liability 2: the property is one of the last sections of Light Industrial (LI) zoned areas in Indian Land. Staff and the Planning Commission are concerned about losing established LI zoned property in an established industrial park.

Funding 1: the previous tenant has a fee-in-lieu agreement with Lancaster County, and this will not be transferred to the current owner.

Recommendation:
Planning Commission recommended unanimous denial during their September Regular Meeting. Concerns that were discussed included traffic generation, having a private school surrounded by industrial uses, the lack of existing Light Industrial zoned land in the Panhandle and how difficult it would be to rezone other land to Light Industrial take its place within the Panhandle.

Staff recommends denial as well.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1877	10/3/2023	Ordinance
Application	8/25/2023	Exhibit
Plat	8/25/2023	Exhibit
Deed	8/25/2023	Exhibit
Location Map	9/6/2023	Exhibit
Traffic Memo	9/22/2023	Ordinance
Staff Report	10/2/2023	Planning Staff Report

Stacking Plan from Applicant	10/3/2023	Backup Material
Public Hearing Notice for Ordinance 2023-1877 (Planning Department Case Number: RZ-2023-1464)	10/5/2023	Public Hearing Notices

STATE OF SOUTH CAROLINA)
) **ORDINANCE NO. 2023-1877**
COUNTY OF LANCASTER)

AN ORDINANCE

TO AMEND THE OFFICIAL ZONING MAP OF LANCASTER COUNTY TO REZONE APPROXIMATELY 7.286 ACRES (TM# 0007-00-008.05) LOCATED AT 1662 MACMILLAN PARK DR, FROM LIGHT INDUSTRIAL (LI) DISTRICT TO INSTITUTIONAL (INS) DISTRICT

Be it ordained by the Council of Lancaster County, South Carolina:

Section 1. Findings and Determinations.

The Council finds and determines that:

(a) Brian Cillian, on behalf of Greybridge MacMillan LLC and LEH SC MacMillan LLC, applied to rezone a 7.286-acre parcel of real property (TM# 0007-00-008.05) owned by Greybridge MacMillan LLC and LEH SC MacMillan LLC, being located at 1662 MacMillan Park Dr, Indian Land, from Light Industrial (LI) District to Institutional (INS) District.

(b) On September 19, 2023, the Lancaster County Planning Commission held a public hearing on the proposed rezoning and, by a 6-0 vote, recommended denial of the rezoning request.

(c) The Future Land Use Category of the subject property is Specialty Employment Center, and is the only recognized "employment center" in the County. The Future Land Use Category Employment Center corresponds to the Suburban Office Center Community Type. The adopted Comprehensive Plan states that the Suburban Office Center Community Type *"provides opportunities to concentrate employment in the region. They include both large-scale isolated buildings with numerous employees as well as areas containing multiple office uses that support and serve one another. They are typically buffered from surrounding development by transitional uses or landscaped areas and are often located in close proximity to major highways or thoroughfares.* The requested INS District is inconsistent with the Specialty Employment Center Land Use Category and the Comprehensive Plan. **As such, a companion ordinance to amend the comprehensive plan is presented.**

Section 2. Rezoning.

The Official Zoning Map is amended by changing the zoning district classification from Light Industrial (LI) District to Institutional (INS) District, for the following property as identified by tax map numbers or other appropriate identifiers:

Tax Map No. (TM# 0007-00-008.05), located at 1662 MacMillan Park Dr, Indian Land.

Section 3. Severability.

If any section, subsection, or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 4. Conflicting Provisions.

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, the provisions contained in this ordinance, to the extent to of the conflict, supersede all other provisions and this ordinance is controlling.

Section 5. Effective Date.

This ordinance is effective upon Third Reading.

AND IT IS SO ORDAINED

Dated this _____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

_____
Steve Harper, Chair, County Council

_____
Billy Mosteller, Secretary, County Council

ATTEST:

_____
Sherrie Simpson, Clerk to Council

First Reading: October 9, 2023
Public Hearing: October 9, 2023
Second Reading: October 23, 2023
Third Reading: November 13, 2023

Approved as to form:

_____
Virginia Merck-Dupont, County Attorney

Lancaster County
South Carolina

Planning Department
P.O. Box 1809, 101 N. Main Street, Lancaster, SC 29721
Phone: 803.285.6005, planning@lancastercountysc.net
www.mylancastersc.org

ZONING MAP AMENDMENT APPLICATION

SUBMITTAL REQUIREMENTS

- Completed Application
- Signatures of Applicant and Property Owner
- Deed and survey plat or boundary survey
- Fees associated with review

GENERAL INFORMATION

Property Address 1662 Macmillan Park Drive
City Fort Mill State SC Zip 29707 Tax Parcel ID 0007-00-008.05
Current Zoning LI Current Use Vacant Office
Proposed Zoning INS Total Acres 7.286
Project Description 23,000 SF Vacant office building to be coverted to private K-12 School

Surrounding Property Description Subject property is surrouded by Light Industrial and Medium Density Residential

CONTACT INFORMATION

Applicant Name Greybridge Macmillan, LLC - Brian Cillian
Address 910 Giacomo Dr.
City Waxhaw State NC Zip 28173 Phone 704-681-4270
Fax _____ Email brian@greybridgepartners.com
Property Owner Name LEHSC Macmillan, LLC & Greybridge Macmillan, LLC
Address 910 Giacomo Dr
City Waxhaw State NC Zip 28173 Phone 704-681-4270
Fax _____ Email brian@greybridgepartners.com

Contact - Brian Cillian
704-681-4270

I hereby certify that I have read this application and the information supplied herein is true and correct to the best of my knowledge. I agree to comply with all applicable County ordinances and state laws related to the use and development of the land. I further certify that I am the property owner, or his/her authorized agent, or the subject property. I understand that falsifying any information herein may result in rejection or denial of this request.

8/9/23

Applicant

8/1/23

Date

8/9/23

Property Owner(s)

8/1/23

Date

Attach owner's notarized written authorization with property information if the applicant is not the owner.

LANCASTER COUNTY OFFICE USE ONLY

Application Number _____ Date Received _____ Receipt Number _____

Amount Paid _____ Check Number _____ Cash Amount _____

Received By _____ Planning Commission Meeting Date _____

SCHEDULE/PROCESS 1. **Submit Application**

- The deadline for this application is at least 45 days prior to the Planning Commission meeting, held every third Tuesday of the month.
- Once an application is submitted, it is placed on the Planning Commission agenda for the following month.
- An application withdrawal should be made in writing and received prior to public notice in order to receive a refund.
- Rezoning Application Fee – single parcel $435.00
- Rezoning Application Fee – multi parcel $610.00

2. **Planning Commission**

- Conducts a public hearing on the application to receive input from Lancaster County citizens, applicant, and other interested parties.
- Reviews the application to ensure it is consistent with the Lancaster County Unified Development Ordinance, Comprehensive Plan, and all adopted County plans.
- Makes a recommendation to the County Council.

3. **County Council**

- Approves, denies, or submits application to the Planning Commission for further study.
- Action requires three readings for approval.
- Subsequent to final County Council action on rezoning, notice of action will be provided to the applicant, owner, and adjacent property owners.
- If applicant would like to request a special presentation, please notify the County Clerk @ (803) 416-9307 before 5:00pm on the first Monday of the month to make arrangements.

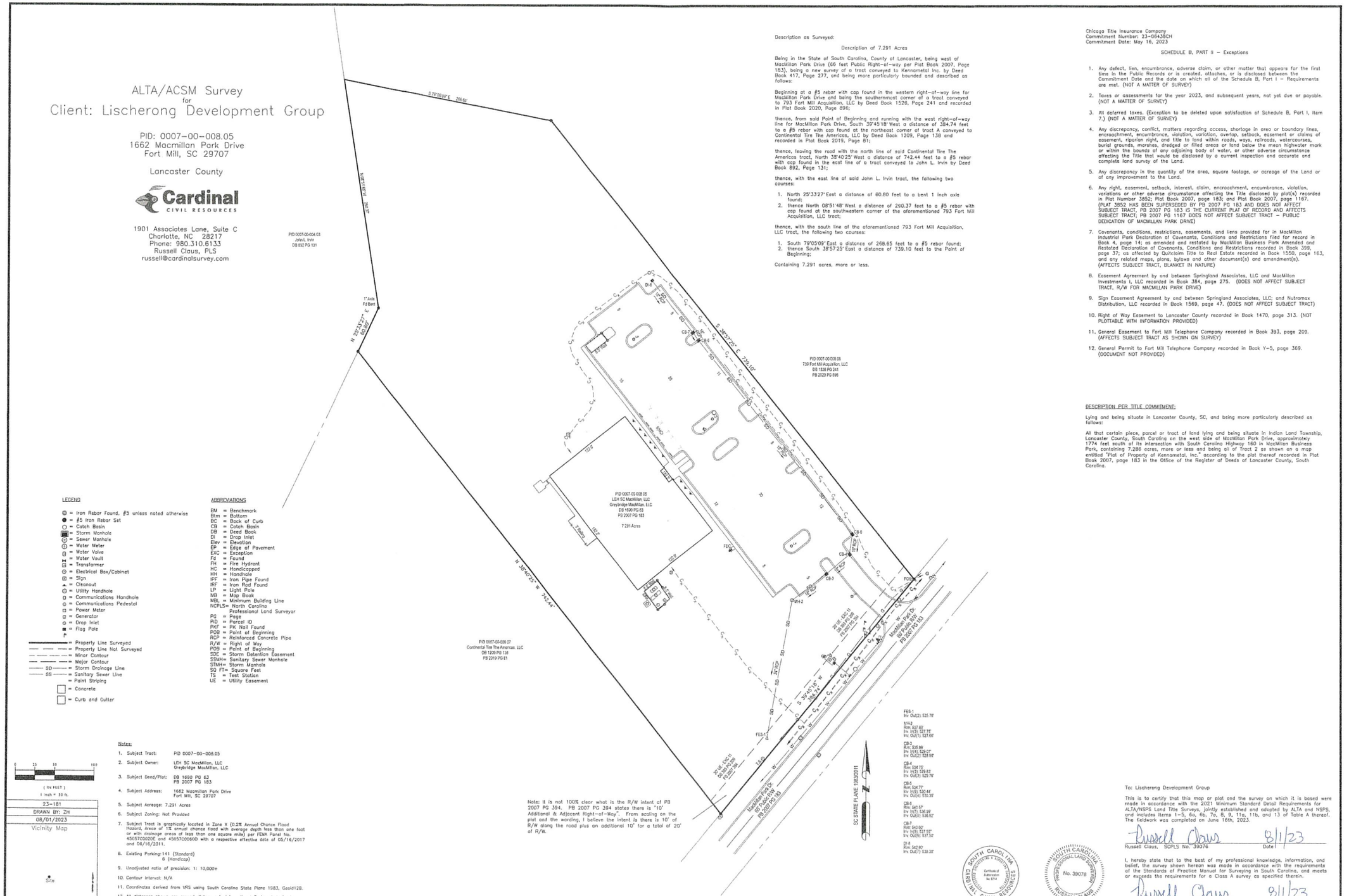
ALTA/ACSM Survey
for
Client: Lischerong Development Group

PID: 0007-00-008.05
1662 Macmillan Park Drive
Fort Mill, SC 29707

Lancaster County

Cardinal CIVIL RESOURCES

1901 Associates Lane, Suite C
Charlotte, NC 28217
Phone: 980.310.6133
Russell Claus, PLS
russell@cardinalsurvey.com



Description as Surveyed:

Description of 7.291 Acres

Being in the State of South Carolina, County of Lancaster, being west of MacMillan Park Drive (66 feet Public Right-of-way per Plat Book 2007, Page 183), being a new survey of a tract conveyed to Kennametal Inc. by Deed Book 417, Page 277, and being more particularly bounded and described as follows:

Beginning at a #5 rebar with cap found in the western right-of-way line for MacMillan Park Drive and being the southernmost corner of a tract conveyed to 793 Fort Mill Acquisition, LLC by Deed Book 1528, Page 241 and recorded in Plat Book 2020, Page 896;

thence, from said Point of Beginning and running with the west right-of-way line for MacMillan Park Drive, South 38°45'18" West a distance of 384.74 feet to a #5 rebar with cap found at the northeast corner of tract A conveyed to Continental Tire The Americas, LLC by Deed Book 1209, Page 138 and recorded in Plat Book 2019, Page 81;

thence, leaving the road with the north line of said Continental Tire The Americas tract, North 38°40'25" West a distance of 742.44 feet to a #5 rebar with cap found in the east line of a tract conveyed to John L. Irvin by Deed Book 892, Page 131;

thence, with the east line of said John L. Irvin tract, the following two courses:

1. North 25°33'27" East a distance of 60.80 feet to a bent 1 inch axis found;
2. thence North 08°51'48" West a distance of 290.37 feet to a #5 rebar with cap found at the southwestern corner of the aforementioned 793 Fort Mill Acquisition, LLC tract;

thence, with the south line of the aforementioned 793 Fort Mill Acquisition, LLC tract, the following two courses:

1. South 79°05'09" East a distance of 268.65 feet to a #5 rebar found;
2. thence South 38°57'25" East a distance of 739.10 feet to the Point of Beginning;

Containing 7.291 acres, more or less.

Chicago Title Insurance Company
Commitment Number: 23-06438CH
Commitment Date: May 16, 2023

SCHEDULE B, PART II – Exceptions

1. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I – Requirements are met. (NOT A MATTER OF SURVEY)
2. Taxes or assessments for the year 2023, and subsequent years, not yet due or payable. (NOT A MATTER OF SURVEY)
3. All deferred taxes. (Exception to be deleted upon satisfaction of Schedule B, Part I, Item 7.) (NOT A MATTER OF SURVEY)
4. Any discrepancy, conflict, matters regarding access, shortage in area or boundary lines, encroachment, encumbrance, violation, variation, overlap, setback, easement or claims of easement, riparian right, and title to land within roads, ways, railroads, watercourses, burial grounds, marshes, dredged or filled areas or land below the mean highwater mark or within the bounds of any adjoining body of water, or other adverse circumstance affecting the Title that would be disclosed by a current inspection and accurate and complete land survey of the Land.
5. Any discrepancy in the quantity of the area, square footage, or acreage of the Land or of any improvement to the Land.
6. Any right, easement, setback, interest, claim, encroachment, encumbrance, violation, variations or other adverse circumstance affecting the Title disclosed by plat(s) recorded in Plat Number 3852; Plat Book 2007, page 183; and Plat Book 2007, page 1167. (PLAT 3852 HAS BEEN SUPERSEDED BY PB 2007 PG 183 AND DOES NOT AFFECT SUBJECT TRACT, PB 2007 PG 183 IS THE CURRENT PLAT OF RECORD AND AFFECTS SUBJECT TRACT; PB 2007 PG 1167 DOES NOT AFFECT SUBJECT TRACT – PUBLIC DEDICATION OF MACMILLAN PARK DRIVE)
7. Covenants, conditions, restrictions, easements, and liens provided for in MacMillan Industrial Park Declaration of Covenants, Conditions and Restrictions filed for record in Book 4, page 14; as amended and restated by MacMillan Business Park Amended and Restated Declaration of Covenants, Conditions and Restrictions recorded in Book 389, page 37; as affected by Quitclaim Title to Real Estate recorded in Book 1550, page 163, and any related maps, plans, bylaws and other document(s) and amendment(s). (AFFECTS SUBJECT TRACT, BLANKET IN NATURE)
8. Easement Agreement by and between Springland Associates, LLC and MacMillan Investments I, LLC recorded in Book 384, page 275. (DOES NOT AFFECT SUBJECT TRACT, R/W FOR MACMILLAN PARK DRIVE)
9. Sign Easement Agreement by and between Springland Associates, LLC; and Nutramax Distribution, LLC recorded in Book 1569, page 47. (DOES NOT AFFECT SUBJECT TRACT)
10. Right of Way Easement to Lancaster County recorded in Book 1470, page 313. (NOT PLOTTABLE WITH INFORMATION PROVIDED)
11. General Easement to Fort Mill Telephone Company recorded in Book 393, page 209. (AFFECTS SUBJECT TRACT AS SHOWN ON SURVEY)
12. General Permit to Fort Mill Telephone Company recorded in Book Y-5, page 369. (DOCUMENT NOT PROVIDED)

DESCRIPTION PER TITLE COMMITMENT:

Lying and being situate in Lancaster County, SC, and being more particularly described as follows:

All that certain piece, parcel or tract of land lying and being situate in Indian Land Township, Lancaster County, South Carolina on the west side of MacMillan Park Drive, approximately 1774 feet south of its intersection with South Carolina Highway 160 in MacMillan Business Park, containing 7.286 acres, more or less and being all of Tract 2 as shown on a map entitled "Plat of Property of Kennametal, Inc." according to the plat thereof recorded in Plat Book 2007, page 183 in the Office of the Register of Deeds of Lancaster County, South Carolina.

LEGEND

- ⊙ = Iron Rebar Found, #5 unless noted otherwise
- ● = #5 Iron Rebar Set
- ○ = Catch Basin
- ▣ = Storm Manhole
- Ⓢ = Sewer Manhole
- Ⓦ = Water Meter
- ⊠ = Water Valve
- ▭ = Water Vault
- ⊡ = Transformer
- Ⓔ = Electrical Box/Cabinet
- ▪ = Sign
- ⊕ = Cleanout
- Ⓤ = Utility Handhole
- Ⓒ = Communications Handhole
- Ⓒ = Communications Pedestal
- □ = Power Meter
- Ⓖ = Generator
- ⊙ = Drop Inlet
- ■ = Flag Pole
- ↑
- ——— = Property Line Surveyed
- — — — = Property Line Not Surveyed
- ~~~~~ = Minor Contour
- ~~~~~ = Major Contour
- SD —— = Storm Drainage Line
- SS —— = Sanitary Sewer Line
- = Paint Striping
- = Concrete
- = Curb and Gutter

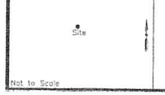
ABBREVIATIONS

BM = Benchmark
Btm = Bottom
BC = Back of Curb
CB = Catch Basin
DB = Deed Book
DI = Drop Inlet
Elev = Elevation
EP = Edge of Pavement
EXC = Exception
Fd = Found
FH = Fire Hydrant
HC = Handicapped
HH = Handhole
IPF = Iron Pipe Found
IRF = Iron Rod Found
LP = Light Pole
MB = Map Book
MBL = Minimum Building Line
NCPLS= North Carolina Professional Land Surveyor
PG = Page
PID = Parcel ID
PKF = PK Nail Found
POB = Point of Beginning
RCP = Reinforced Concrete Pipe
R/W = Right of Way
POB = Point of Beginning
SDE = Storm Detention Easement
SSMH= Sanitary Sewer Manhole
STMH= Storm Manhole
SQ FT= Square Feet
TS = Test Station
UE = Utility Easement

0 25 50 100
(IN FEET)
1 inch = 50 ft.

23-181
DRAWN BY: ZH
08/01/2023

Vicinity Map



Not to Scale

Notes:

1. Subject Tract: PID 0007-00-008.05
2. Subject Owner: LEH SC MacMillan, LLC
   Greybridge MacMillan, LLC
3. Subject Deed/Plat: DB 1690 PG 63
   PB 2007 PG 183
4. Subject Address: 1662 Macmillan Park Drive
   Fort Mill, SC 29707
5. Subject Acreage: 7.291 Acres
6. Subject Zoning: Not Provided
7. Subject Tract is graphically located in Zone X (0.2% Annual Chance Flood Hazard, Areas of 1% annual chance flood with average depth less than one foot or with drainage areas of less than one square mile) per FEMA Panel No. 45057C0020E and 45057C0060D with a respective effective date of 03/16/2017 and 08/16/2011.
8. Existing Parking: 141 (Standard)
   6 (Handicap)
9. Unadjusted ratio of precision: 1: 10,000+
10. Contour Interval: N/A
11. Coordinates derived from VRS using South Carolina State Plane 1983, Geoid12B.
12. All distances shown are ground distances in International Feet and decimals thereof.
13. Field work completed on June 16, 2023.

Note: It is not 100% clear what is the R/W intent of PB 2007 PG 394. PB 2007 PG 394 states there is "10' Additional & Adjacent Right-of-Way". From scaling on the plat and the wording, I believe the intent is there is 10' of R/W along the road plus an additional 10' for a total of 20' of R/W.

FES-1
Inv Out(2): 525.78'

MH-2
Rim: 537.82'
Inv In(3): 527.75'
Inv Out(1): 527.65'

CB-3
Rim: 535.86'
Inv In(4): 529.07'
Inv Out(2): 528.98'

CB-4
Rim: 534.75'
Inv In(2): 529.82'
Inv Out(3): 529.78'

CB-5
Rim: 534.77'
Inv In(5): 530.44'
Inv Out(4): 530.35'

CB-6
Rim: 540.57'
Inv In(1): 536.99'
Inv Out(5): 536.92'

CB-7
Rim: 540.00'
Inv In(6): 537.55'
Inv Out(5): 537.50'

D-1
Rim: 542.80'
Inv Out(7): 539.35'

To: Lischerong Development Group

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2021 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes items 1-5, 6a, 6b, 7a, 8, 9, 11a, 11b, and 13 of Table A thereof. The fieldwork was completed on June 16th, 2023.

Russell Claus 8/1/23
Russell Claus, SCPLS No. 39076 Date

I, hereby state that to the best of my professional knowledge, information, and belief, the survey shown hereon was made in accordance with the requirements of the Standards of Practice Manual for Surveying in South Carolina, and meets or exceeds the requirements for a Class A survey as specified therein.

Russell Claus 8/1/23
Russell Claus, SCPLS No. 39076 Date

SOUTH CAROLINA — Certificate of Authorization No. 8114 — CARDINAL CIVIL RESOURCES

SOUTH CAROLINA — No. 39076 — REGISTERED LAND SURVEYOR — RUSSELL CLAUS

LANCASTER COUNTY, SC
2023009193 DEED
RECORDING FEES $15.00
EXEMPT
PRESENTED & RECORDED
07-25-2023 08:46:09 AM
BRITTANY GRANT
REGISTER OF DEEDS
LANCASTER, COUNTY SC
By: CANDICE PHILLIPS
BK:DEED 1690 PG:63-70

Upon Recording Mail To: Grantee

Recording Time, Book & Page

SOUTH CAROLINA QUITCLAIM DEED

COUNTY: Lancaster

TAX MAP NUMBER: 0007-00-008.05
DATE: July 24, 2023

Grantor	Grantee
Kennametal, Inc., a Pennsylvania corporation	**LEH SC MacMillan, LLC,** a South Carolina limited liability company (as to a 50% undivided interest as a tenant in common) **Greybridge MacMillan, LLC,** a South Carolina limited liability company (as to a 50% undivided interest as a tenant in common)
Mailing Address: 525 William Penn Place, Suite 3300 Pittsburgh, PA 15219	Mailing Address: 910 Giacomo Drive Waxhaw, NC 28173

Enter in appropriate block for each party: name, address, and, if appropriate, character of entity, e.g. corporation, partnership, limited liability company

The designation Grantor and Grantee as used herein shall include the named parties and their heirs, successors and assigns and shall include singular, plural, masculine, feminine or neuter as required by context.

KNOW ALL MEN BY THESE PRESENTS, that Grantor, for and in consideration of the sum of One and 00/100 Dollar ($1.00) paid by Grantee to Grantor, the receipt and sufficiency of which is hereby acknowledged, does hereby remise, release, convey and forever quitclaim unto the Grantee unto Grantee, that certain parcel of real estate described as follows (the "**Premises**"):

SEE EXHIBIT A attached hereto and incorporated herein by reference

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to the Premises belonging or in any way incident or appertaining, including, but not limited to, all improvements of any nature located on the Premises and all easements and rights-of-way appurtenant to the Premises.

01198-034/00472780-1

TO HAVE AND TO HOLD all and singular the Premises unto Grantee and Grantee's successors and assigns forever, free and discharged from all right, title, claim or interest of Grantor.

Grantor makes no warranty, express or implied, as to title of the Premises conveyed hereunder.

[Signatures appear on the immediately following page]

IN WITNESS WHEREOF, Grantor has caused this Quitclaim Deed to be delivered under seal this 24th day of July, 2023.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

GRANTOR:

Kennametal, Inc.,
a Pennsylvania corporation

Julie L. McClocklin
Witness#1

By: Michelle R. Keating (SEAL)
Name: Michelle R. Keating
Title: VP, Secretary + General Counsel

Katrina Wolfe
Witness#2

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF ALLEGHENY

I, a Notary Public for Allegheny County, Pennsylvania, do hereby certify that Michelle R. Keating, VP, Secretary + General Counsel of Kennametal, Inc., a Pennsylvania corporation, Grantor, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the corporation.

Witness my hand and official seal this the 20th day of July, 2023.

Katie Sue Laut
Notary Public for Pennsylvania

My Commission Expires:

June 8, 2025

Commonwealth of Pennsylvania - Notary Seal
Katie Sue Laut, Notary Public
Allegheny County
My commission expires June 8, 2025
Commission number 1314429
Member, Pennsylvania Association of Notaries

01198-034/00472780-1

EXHIBIT A
LEGAL DESCRIPTION OF PREMISES

Being in the State of South Carolina, County of Lancaster, being west of MacMillan Park Drive (66 feet Public Right-of-way per Plat Book 2007, Page 183), being a new survey of a tract conveyed to Kennametal Inc. by Deed Book 417, Page 277, and being more particularly bounded and described as follows:

Beginning at a #5 rebar with cap found in the western right-of-way line for MacMillan Park Drive and being the southernmost corner of a tract conveyed to 793 Fort Mill Acquisition, LLC by Deed Book 1526, Page 241 and recorded in Plat Book 2020, Page 896;

thence, from said Point of Beginning and running with the west right-of-way line for MacMillan Park Drive, South 39°45'18" West a distance of 384.74 feet to a #5 rebar with cap found at the northeast corner of tract A conveyed to Continental Tire The Americas, LLC by Deed Book 1209, Page 138 and recorded in Plat Book 2019, Page 81;

thence, leaving the road with the north line of said Continental Tire The Americas tract, North 38°40'25" West a distance of 742.44 feet to a #5 rebar with cap found in the east line of a tract conveyed to John L. Irvin by Deed Book 892, Page 131;

thence, with the east line of said John L. Irvin tract, the following two courses:

1. North 25°33'27" East a distance of 60.80 feet to a bent 1 inch axle found;
2. thence North 08°51'48" West a distance of 290.37 feet to a #5 rebar with cap found at the southwestern corner of the aforementioned 793 Fort Mill Acquisition, LLC tract;

thence, with the south line of the aforementioned 793 Fort Mill Acquisition, LLC tract, the following two courses:

1. South 79°05'09" East a distance of 268.65 feet to a #5 rebar found;
2. thence South 38°57'25" East a distance of 739.10 feet to the Point of Beginning;

Containing 7.291 acres, more or less.

Derivation: Being the same property conveyed to Kennametal, Inc. by deed from MacMillan Investments I, LLC dated August 20, 2007, and recorded August 23, 2007 in Book 417 at Page 277 in the Land Records of Lancaster County, SC.

Tax Map Number: 0007-00-008.05

COMMONWEALTH OF PENNSYLVANIA

AFFIDAVIT

COUNTY OF ALLEGHENY

PERSONALLY appeared before me the undersigned, who being duly sworn, depose and say:

1. We have read the information on this Affidavit and we understand such information.

2. Property containing approximately 7.286 acres in Lancaster County, South Carolina, being all of Lancaster County Tax Map Number 0007-00-008.05, and being more particularly described on Exhibit A attached hereto, was transferred from Kennametal, Inc., as Grantor, to Greybridge MacMillan, LLC; LEH SC MacMillan, LLC, collectively, as Grantee, on July 24, 2023.

3. Check One of the Following:

   (a) ____ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.

   (b) ____ subject to the deed recording fee as a transfer between a corporation, a partnership or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.

   (c) _X_ EXEMPT from the deed recording fee because of exemption 12-24-40(12) of the South Carolina Code of Laws (quitclaim deed).

   (If exempt, skip items 4-7 and go to item 8 of this Affidavit).

4. Check one of the following if either 3(a) or 3(b) has been checked:

   (a) ____The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of $_____.

   (b) ____ The fee is computed on the fair market value of the realty which is $____.

   (c) ____ The fee is computed on the fair market value of the realty as established for property tax purposes which is $_____.

5. Check YES ____ or NO _X_ to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement or realty after the transfer. If YES, the amount of the outstanding balance of this lien or encumbrance is $_____.

6. The DEED Recording Fee is computed as follows:

   (a) $____-0-____, the amount listed in 4 above, LESS

   (b) $____-0-____, the amount listed in 5 above (if none, show 0)

   (c) $____-0-____, Subtract 6(b) from 6(a) and place result.

7. The deed recording fee is due based on the amount listed on Line 6(c) above and the deed recording fee due is _____.

8. As required by Code Section 12-24-70, we state that we are responsible persons who were connected with the transaction as Grantor.

9. We further understand that a person required to furnish this Affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than One Thousand Dollars or imprisoned nor more than one year, or both.

KENNAMETAL, INC.,
a Pennsylvania corporation

By: Michelle R. Keating (SEAL)
Name: Michelle R. Keating
Title: VP, Secretary & General Counsel

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF ALLEGHENY

I, a Notary Public for Allegheny County, Pennsylvania, do hereby certify that Michelle R. Keating, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the corporation.

Witness my hand and official seal this the 25th day of July, 2023.

Katie Sue Laut
Notary Public for Pennsylvania

My Commission Expires:

June 8, 2025

Commonwealth of Pennsylvania - Notary Seal
Katie Sue Laut, Notary Public
Allegheny County
My commission expires June 8, 2025
Commission number 1314429
Member, Pennsylvania Association of Notaries

01198-034/00472781-1

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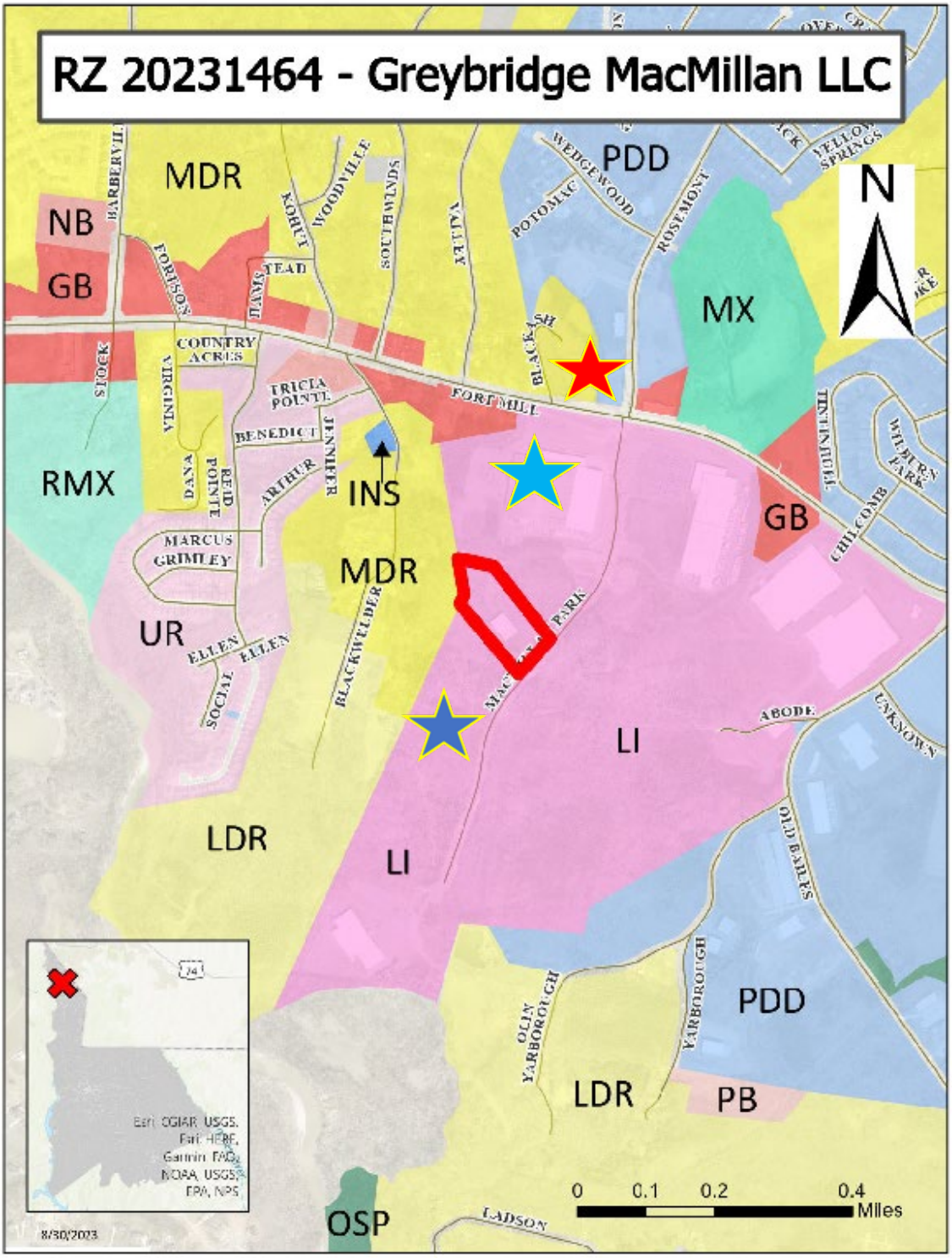
Tax Map Number: 0007-00-008.05



Lancaster County
South Carolina

Proposal:
Rezoning LI to INS

Subject Property

Continental Tire

Rosemont Residential Development

Nutramax Distribution

Kimley»Horn

TRANSPORTATION TECHNICAL MEMORANDUM

To: Stephen Blackwelder, Lancaster County

From: Amy Massey, PE
Kimley-Horn and Associates, Inc.

Date: September 13, 2023

Subject: ***Marvin Academy***
Traffic Analysis

SOUTH CAROLINA CERTIFICATE OF AUTHORIZATION KIMLEY-HORN AND ASSOCIATES, INC No. C00166

SOUTH CAROLINA LICENSED PROFESSIONAL ENGINEER No. 20628 AMY B. MASSEY 9.13.2023

Kimley-Horn and Associates, Inc. was retained by Lotto Partners, LLC to review the traffic impact of adapting an existing, 23,000 square foot (SF) office building located at 1662 MacMillan Park Drive into a private, Christian K-12 school. The school is proposed to relocate from Marvin, North Carolina to the space in Lancaster County for a fall 2024 opening. **Figure 1** shows the site and its vicinity.

The reuse project is planning for a 150-student maximum capacity for the foreseeable future, as well as a staggered morning drop-off with approximately 50 students dropped off in three 30-minute windows starting at 9:05 AM.

Kimley-Horn performed a trip generation analysis using Institute of Transportation Engineers' (ITE) *Trip Generation*, 11th Edition for the school, with the potential current office land use trips shown as being subtracted to represent net new peak-hour trips. The projected trip generation is shown in **Table 1.**

Table 1 - Trip Generation

ITE LUC	Land Use	Intensity		Daily	AM Peak Hour			PM Peak Hour			Peak Hour Type/Data Source
					Total	In	Out	Total	In	Out	
Proposed Site											
532	Private School (K-12)	150	Students	372	119	75	44	26	11	15	Adj Street/ITE Rate
Existing Site to be Removed											
710	General Office	23,000	SF	323	47	41	6	49	8	41	Adj Street*/ITE Eqn
Net New External Trips (Proposed - Existing)				**49**	**72**	**34**	**38**	**-23**	**3**	**-26**	

* When Generator/Adj Street and/or Rate/Equation not provided, alternate option used

The resulting net new 72 AM peak trips generated would exceed the County's 50-trip peak threshold. However, these AM peak trips would occur after 9 AM, outside the typical 7-9 AM commute peak studied in Lancaster County. Further, the school has indicated it plans to stagger its morning traffic, in three 30-minute windows. The associated 20-30 person staff arrival time is between 8:30 and 9:00 AM. While within the typical peak-hour period, this is below the County's peak-hour threshold for requiring a Traffic Impact Analysis (TIA). A letter from the school is attached, committing to this travel demand management (TDM) strategy.

The PM peak trips projected for the school would be lower than the potential office trips associated with the existing building. In addition, both student and staff dismissal occur prior to the typical 4-6 PM commute peak.

These impacts *support a determination of a minimal impact* based on a comparison to trip generation thresholds of Lancaster County and South Carolina Department of Transportation (SCDOT) indicated below based on the Lancaster County Unified Development Ordinance (UDO) Section 6.8 and *SCDOT Access and Roadside Management Standards (ARMS)*:

- Lancaster County 50 peak-hour trips
- SCDOT 100 peak-hour trips

Therefore, a TIA should not be required on the basis of trip generation. SCDOT staff have concurred with this conclusion, and Lancaster County staff have indicated acceptance of this Technical Memorandum as an alternative to a TIA, assuming the TDM commitment from the school certifying that the project will create fewer than 50 trips during the standard peak hours.

Please contact me with questions.

Cc:

- Allison Love, AICP, SCDOT
- Brian Cillian, Lotto Partners, LLC

Attachments:

- Figure 1 – Vicinity Map
- Marvin Academy Christian School Commitment Letter

Kimley»Horn	**Marvin Academy Transportation Technical Memorandum**	**Vicinity Map**	**Figure 1**

Marvin Academy Christian School
1525 Crane Road
Waxhaw, NC 28173
(704) 256 - 3060
www.marvinacademy.org

To: Stephen Blackwelder, Lancaster County

Date: September 11, 2023

Subject: Marvin Academy TDM

I am writing to certify and confirm our proposed travel demand management (TDM) strategy. School drop off will be a staggered schedule beginning at 9:05 am and will consist of three 30-minute windows of students depending on age and grade. Staff will be located in the parking lot to help students exit the vehicles and safely enter the school building. This also helps ensure that the drop-off line continues to move quickly. Dismissal will begin at 3:15 pm for students in grades 5th - 12th and will begin at 3:30 pm for students in grades TK - 4th. Our dismissal lines move very quickly and all students are dismissed within 15 minutes. Staff arrival time is between 8:30 and 9:00 am and staff dismissal time is between 3:30 and 4:00 pm. We currently have 20 staff members and do not expect to have more than 30 staff members and 150 students for the 24/25 school year or the foreseeable future. In the event the student population rises above 150 students then we would agree to reevaluate the traffic situation at that time. Please feel free to contact me with any additional questions or if any additional information is needed.

Sincerely,

Jarrika Coutchure
Head of School
Marvin Academy Christian School

PROPOSAL:	Request to rezone 7.286 acres of property
PROPERTY LOCATION:	1662 MacMillan Park Drive (TM# 0007-00-008.05)
CURRENT ZONING DISTRICT:	Light Industrial (LI) District
PROPOSED ZONING DISTRICT:	Institutional (INS) District
APPLICANT:	Brian Cillian/Greybridge MacMillan LLC and LEH SC MacMillan LLC
COUNCIL DISTRICT:	District 4, Jose Luis
STATUTORY NOTICES:	Sign posted 8/31/2023 Hearing notice published 9/2/2023 in The Lancaster News And 9/6/2023 in Carolina Gateway Mailed notices 8/31/2023 Posted agenda in lobby 9/12/2023

OVERVIEW:

Proposal

The applicant has requested to rezone a parcel 7.286 acres in size. The intent is to redevelop the existing structure as a private K-12 school.

Site Information

The parcel proposed to be rezoned is currently zoned Light Industrial and located off S.C.160, on MacMillan Drive in the existing industrial park. The proposed site is located in between the new headquarters for Continental Tire and the Unique Loom facility. This business park is one of few remaining areas within the panhandle region with Light Industrial zoning.

Summary of Adjacent Zoning and Uses

The subject parcel is within an existing industrial business park and is surrounded predominantly Light Industrial zoned properties.

Adjacent Property	Jurisdiction	Zoning District	Use
North	Lancaster County	LI	Industrial Park (Unique Loom)
South	Lancaster County	LI	Industrial Park (Continental Tire)
East	Lancaster County	LI	Industrial Park (Keer America)
West	Lancaster County	MDR	Blackwelder Road neighborhood

Economic Development / Fee in Lieu (FILOT) Agreement:

The parcel that is proposed to be rezoned is the former site of Kennametal which manufactures tungsten-titanium carbide alloy for cutting tools, silicon-nitride based "sialon" ceramics for the machining of exotic aerospace materials, and cobalt-enriched substrates for coated inserts. Kennametal previously had a FILOT Agreement for this property. Typically when a parcel is sold without a notification to SCDOR to continue the FILOT agreement, the agreement is void. With that said, given that the parcel is currently zoned Light Industrial and located within a business park, it is the County's Economic Development Department's preference for the site to remain the existing zoning of Light Industrial.

ANALYSIS & FINDINGS:

Zoning Districts

As previously noted, the subject property is currently in the Light Industrial District. Pursuant to UDO Chapter 2.3, the Light Industrial District "… *for activities that can be operated in a relatively clean and quiet manner, and which will not be obnoxious to adjacent residential or business districts. This includes warehousing and wholesaling activities with limited contact with the general public. It is designed to prohibit most heavy industry, which should be properly segregated, and to prohibit any other use which would substantially interfere with the development of industrial establishments in the district. Limited opportunities for retail sales and services are also provided*."

Requested INS

UDO Chapter 2.3 describes the requested INS District *as intended to allow for the continued and future use, expansion, and new development of academic and religious campuses, governmental and health facilities, and public and private utility infrastructure. The goal is to promote the many varied uses associated with such institutions while maintaining the overall design integrity of the campus setting and minimizing any adverse impacts on the neighboring residential areas. In the attempt to meet this goal numerous requirements are included, such as but not limited to buffers, landscaping, outdoor lighting, parking, signage, building height, setbacks, open space, and the like.*

RELATIONSHIP TO PUBLIC PLANS

Specialty Employment Center:

The subject parcel falls within an activity center designated by the future land use map found in the Comprehensive Plan. This activity center is a designated "employment center". Under the current Comprehensive Plan this area is the only recognized "employment center" in the County.

The Future Land Use Category of the subject properties is Employment Center, which corresponds to the Suburban Office Center Community Type. The adopted Comprehensive Plan states that the Suburban Office Center Community Type *"provides opportunities to concentrate employment in the region. They include both large-scale isolated buildings with numerous employees as well as areas containing multiple office uses that support and serve one another. They are typically buffered from surrounding development by transitional uses or landscaped areas and are often located in close proximity to major*

highways or thoroughfares. The Comprehensive Plan further establishes several possible land use considerations representing typical development in this category which are depicted in the table below.

The Employment Center Future Land Use Category is a circle that overlays this portion of the County. The Employment Centers central point begins at the intersection of Fort Mill Highway and MacMilan Park Drive and extends North to Keswick Ter, 1000ft South of 910 Giacomo Drive, East to the intersection of Fort Mill Highway and Old Bailes Road, and West to 935 Fort Mill Highway,

The requested INS District is inconsistent with the Employment Center Future Land Use Category.

Suburban Office Center: Land Use Category		
Small supermarket	Bank	Professional Office
Convenience store	Restaurant	Call center
Large supermarket	Big Box commercial	Medical office
Drug store	Hotel	Fire station

INFRASTRUCTURE CONSIDERATIONS

Transportation
A TIA has not been provided. It is our understanding that the applicant is working on a memo stating that the sites AM/PM peak hour trips will not cross the 50-trip threshold for a TIA. This memo has not yet been submitted.

Public Utilities

Water and sewer access is provided to the site by the Lancaster County Water and Sewer District.

Public Schools
The Lancaster County School District did not leave any comments for this rezoning.

PHOTOS OF PROJECT AREA:

Ariel View of Subject Parcel

Facing Existing Building on Subject Parcel. Proposed Private School Site

STAFF RECOMMENDATION:

Staff recommends **Denial** of the request to rezone 7.286 acres (TM# 0007-00-008.05) from Light Industrial (LI) District to Institutional (INS) District, pursuant to the following findings of fact:

1. That the subject project consists of the following parcel: (TM# 0007-00-008.05);
2. That the subject property is currently zoned LI District and proposed to be rezoned INS District;
3. That the subject property has a Specialty Center Use designation of Employment Center, and a Community Type of Suburban Office Center;
4. That the proposed INS District is generally inconsistent with the surrounding area which is comprised primarily of LI zoning.

Staff notes that these concerns were relayed to the applicant in March 2023, prior to the purchase of the land.

PLANNING COMMISSION MEETING, 9/19/23:

During the Planning Commission meeting, the applicant (Brian Cillian of Waxhaw, NC) informed the Commission of the following:

- Marvin Academy is outgrowing the current site in Waxhaw, NC and looking to relocate to the site at 1662 McMillan Park Dr in Indian Land (off Fort Mill Hwy).
- The applicant bought the property in the summer with intent to use it as a school.
- The building has been vacant for many years, and the applicant thinks a school would be an asset to the area.
- The applicant doesn't think the school will meet the 50-trip limit to warrant a traffic impact analysis (TIA).

Questions from the Planning Commission were based on capacity and related traffic impact. The applicant relayed the following:

- Marvin Academy expects an enrollment of 150 students after an initial drop of some students who won't want to make the commute from Waxhaw, NC. The initial enrollment estimate is 120 students from year one.
- The applicant assumes that there will be 2-3 students per car.
- The drop-offs are planned to be in 30-minute increments starting at 9am.
- Pick-up is planned to be staggered between 3:30 – 4:00 pm.

Concerns relayed from the Planning Commission included the ill fit of a PreK-12 school in an industrial park, the lack of a TIA, the conflict with the comprehensive plan, and the loss of industrially zoned property in the high-demand Indian Land area. There were no comments from the public.

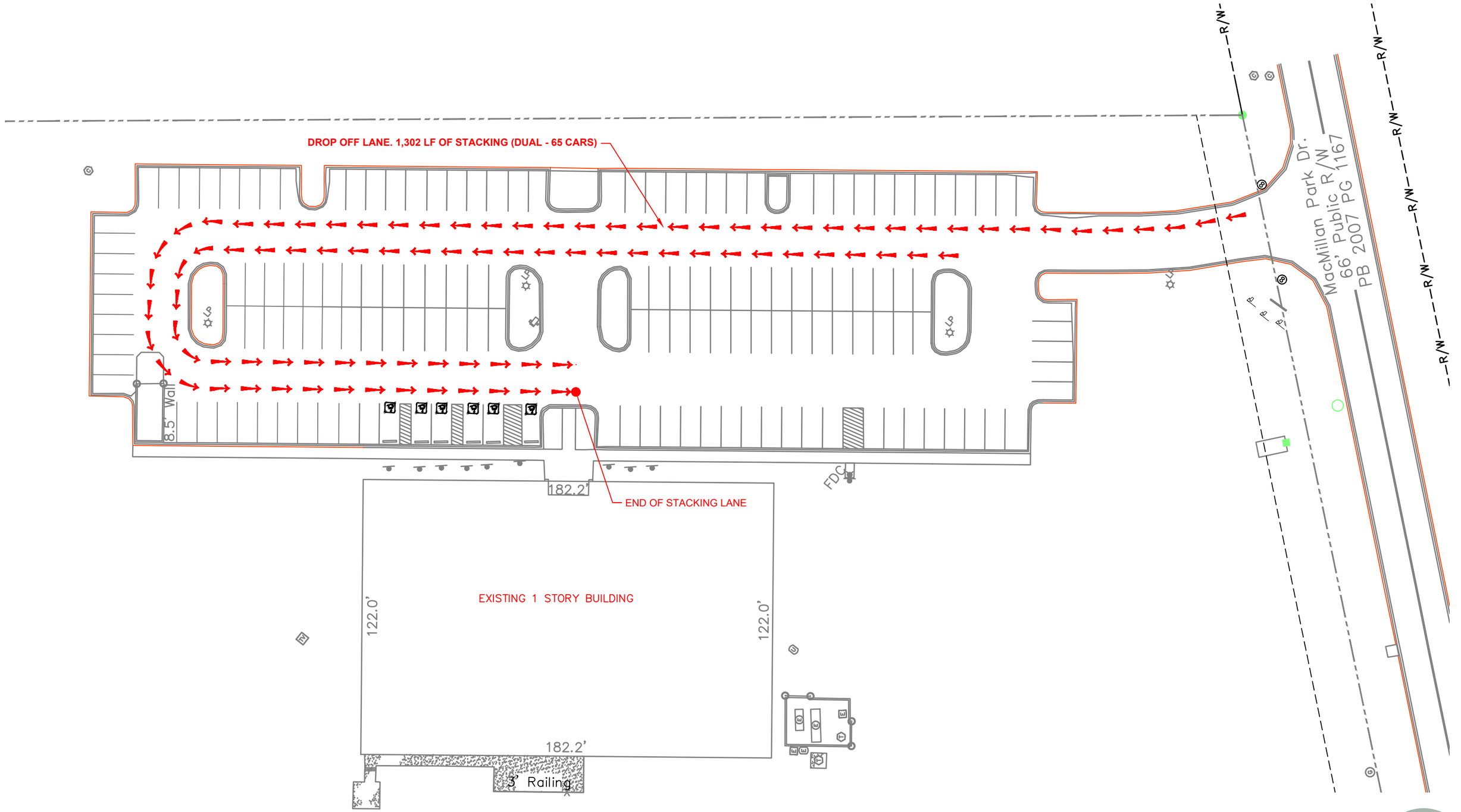
After deliberation, **the Planning Commission unanimously denied a motion to recommend rezoning** the property at 1662 MacMillan Park Dr from LI to INS (vote was 0-6 in support of rezoning).

ATTACHMENTS:

1. Rezoning Application
2. Location Map/ Zoning Map

STAFF CONTACT:

Matthew Blaszyk, Planner
mblaszyk@lancastersc.net | 803-416-9380



MacMillan Park Drive

Indian Land | DATE: 09.29.23 | PROJECT NO.: 230575

STACKING PLAN

SCALE: 1"=40'

V3co.com

landscape architecture | planning | civil engineering | surveying

V3 Southeast

SC FIRM#: 6790, LAF-459

The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-283-1133

PUBLIC HEARING NOTICE

For the purpose of obtaining oral and written comments from the public regarding the following matters, the Lancaster County Planning Commission and County Council will conduct public hearings on Tuesday, September 19, 2023, and Monday, October 9, 2023, respectively. The public hearings will take place at 6:00 PM at the Lancaster County Administrative Building located at 101 N. Main Street, Lancaster, SC.

1. RZ-2023-1464: Application by Brian Cillian/Greybridge MacMillan LLC and LEH SC MacMillan LLC to rezone 7.286 acres at 1662 MacMillan Park Drive (TM# 0007-00-008.05) from Light Industrial (LI) to Institutional (INS) District in order to convert existing structure to a K-12 private school facility.

The following items only requires one public hearing before the Lancaster County Planning Commission on Tuesday, September 19, 2023, at the Lancaster County Administrative Building located at 101 N. Main Street, Lancaster, SC.

1. SD-2022-2205: Application by Earl Coulston/Coulston Enterprises, for a Preliminary Plat for 39.47 acres located at the southeast corner of Fork Hill Road and Little Dude Avenue in Kershaw (TM #0141-00-024.00) for a single-family residential development of 76 lots.

2. RNC-2023-1404: Application by Dr. Zora Denson to rename Solar Road, a county-maintained road in Lancaster County and Town of Heath Springs, to Hillside High Road.

Copies of the documents to be considered are available for public inspection in the office of the Lancaster County Planning Department located at 101 North Main Street, Lancaster, South Carolina. Persons requiring special arrangements due to handicap please call (803) 285-6005 at least 24 hours in advance.

Public comments may be made in person at the hearing or submitted in written format to be provided to the Planning Commission or to County Council at the public hearing. Comments made in person or in writing should be limited to three (3) minutes in duration if read aloud. Written comments may be submitted either by online submission by selecting the "public hearing comments" quick link located on the county website (https://www.mylancastersc.org/), email to SSimpson@lancastersc.net, or by mail addressed to Clerk to Council at 101 N. Main Street, Lancaster, SC 29720 with the Ordinance number or other appropriate identifier clearly referenced in the communication. At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee or by submission of written comments.

I hereby certify that on the above notice published in The Lancaster News, a general circulation in Lancaster County, South Carolina, in accordance with law on September 2nd 2023.

SWORN to before me this 6th day of September, 2023

Ashley L Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027

Ashley L Johnson NOTARY PUBLIC SOUTH CAROLINA

Newspaper Rep Signature

CAROLINA GATEWAY

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-339-6862

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e published in the Carolina Gateway in Lancaster County, South Carolina, in accordance with law on September 6th 2023.

SWORN to before me this 6th day of September, 2023

Ashley L Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027

Newspaper Rep Signature

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lobby or drive-through at:
1400 Pageland Hwy
from 8am-5pm Mon. – Fri.

phone service for all
tour," he said.
Barfield said the pro-
Sheriff's Office pro-

I hereby certify that on the above notice published in the Carolina Gateway in Lancaster County, South Carolina, in accordance with law on September 6th 2023.

SWORN to before me this 6th day of September, 2023

Ashley L Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027

Ashley L Johnson NOTARY PUBLIC SOUTH CAROLINA

Newspaper Rep Signature

Agenda Item Summary

Ordinance # / Resolution #: N/A
Contact Person / Sponsor: Dennis Marstall / Administration
Department: Administration
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Council will need to make a motion to select suggested appointees to the Public Facilities Corporation that is being created as a structure to support the installment purchase revenue bonds for the Detention Center and Regional Park financing.

Proposed appointees include:

Brian Endres
Larry Honeycutt
Charles Deese

Points to Consider:
The structure of the Installment Purchase Revenue Bonds financing model, calls for a five to seven person Board consisting of three to five community members not presently associated with or employed by the County and two ex-officio, non-voting members consisting of the County Administrator and the County Chief Financial Officer.

This Public Facilities Corporation will meet at least once a year and will be the governing body that oversees the bond payments for the Detention Center and Regional Park.

The role of the Corporation members is to review the bond payments and take any other action necessary to assist the county in funding the construction costs of the Detention Center and Regional Park.

Funding and Liability Factors:
Funding for the Detention Center and Regional Park is through Installment Purchase Revenue Bonds.

Recommendation:
Approve the appointees nominated by Council members to serve on the Lancaster County Public Facilities Corporation.

Agenda Item Summary

Ordinance # / Resolution #: N/A
Contact Person / Sponsor: Dennis Marstall / Administration
Department: Administration
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Council is being asked to approve the Health and Wellness Commission moving forward with their grant request to the South Carolina Center for Rural and Primary Healthcare.

There are no matching funds required for this grant.

Points to Consider:
The Commission will provide an overview of the grant application request during the meeting.

Funding and Liability Factors:
N/A

Recommendation:
Consider Health and Wellness Commission request to apply for a grant.

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1869 / Planning Case Number: RZ-2023-1197 - HOLD UNTIL THE 12/11/2023 COUNCIL MEETING
Contact Person / Sponsor: M. Blaszyk / Planning
Department: Planning
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Application by Charles Strunk to rezone approximately 6.6 acres at 2458 Mineral Mining Road, Kershaw (TM #0098-00-037.01) from Light Industrial (LI) to Agricultural Residential (AR) District, in order to create conformity for existing residential use.

Points to Consider:
UPDATE (9/18/2023): Planning Staff has initiated the Comprehensive Plan Amendment for this parcel as requested by Council. The Comp. Plan Amendment will be heard by Planning Commission on October 17, 2023, and proceed to first reading with Council on November 13th, 2023. Should Council be so inclined to hold second reading of this item until November 27, both items could then have second reading in unison, with both then proceeding to third reading on December 11, 2023.

The property is located at the intersection of Mining and Mineral Mining Road and is currently a non-conforming residential use. The applicant would like to be able to construct a stable on the property for the family's horses.

Directly behind the parcel, is the former Blackmon Mine and a Landfill.

The Comprehensive Plans Future Land Use Map designates the subject parcel as staying a part of an industrial use.

Funding and Liability Factors:
N/A

Recommendation:
During the Planning Commission's August regular meeting, concerns were discussed regarding the possibility of the former mine to resume operations and the existing landfill to expand with their locations being directly adjacent to the residence.

Staff recommends denial of the rezoning proposal due to the existing conflicts with the Comprehensive Plan.

Staff also offered the point that if the Planning Commission and Council want to approve the proposed rezoning, staff recommends a companion ordinance to amend the current Comprehensive Plan. The Planning Commission agreed to this recommendation. The item received a recommendation for approval with a companion ordinance to amend the current Comprehensive Plan with a vote of 5-2.

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1865 / Planning Case Number: UDO-TA-2023-0972 - HOLD UNTIL THE 11/15/2023 COW MEETING
Contact Person / Sponsor: A. Hardin / Planning
Department: Planning
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Consider the following text amendment to the UDO: Chapter Two, Sec 2.4 District Standards (MDR): Application by Planning Department on behalf of County Council to amend standards for MDR district, regarding lot size, front setbacks, usable open space, block length, and density calculation.

Points to Consider:
Please see attached staff report.

Funding and Liability Factors:
N/A

Recommendation:
Approve Ordinance 2023-1865.

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1870 / Planning Case Number: UDO-TA-2023-0973 - HOLD UNTIL THE 11/15/2023 COW MEETING
Contact Person / Sponsor: A. Hardin / Planning
Department: Planning
Date Requested to be on Agenda: 10/9/2023

Council Action Requested:
Chapter 4, Sec. 4.4 1 Cluster Subdivision Overlay Standards: Application by Planning Department on behalf of County Council to amend standards for Cluster Subdivision Overlay District, regarding lot size, front setbacks, usable open space, block length, CSOD lot size mix, and density calculation.

Points to Consider:

Funding and Liability Factors:
N/A

Recommendation:
N/A