

(D) Pursuant to Section 12-44-60 of the Act, the Company may elect to include Replacement Property as part of the Project to the maximum extent permitted by the Act.

(E) Any part of the Project subject to the fee payment may be disposed, and the Fair Market Value of the Project used to calculate FILOT Payments shall be reduced by the Fair Market Value of the disposed property.

(F) (1) If the Act, any portion of the Act, and/or the FILOT Payments are declared invalid or unenforceable, in whole or in part, for any reason, the Company and the County intend that this Fee Agreement be reformed so as to afford the Company the maximum benefit then permitted by law. (2) If the Project is not eligible for FILOT Payments, the Company shall be entitled (i) to receive the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by South Carolina Constitution Article X, Section 3, and any other exemption allowed by law from time to time; (ii) to receive all allowable depreciation, allowances and adjustments to Fair Market Value; and (iii) to receive such other credits, abatements and exemptions from *ad valorem* taxes, as are allowed by law.

(G) Pursuant to Section 12-44-140 (B) of the Act, if the Company does not meet the minimum investment and job creation requirements specified in Section 3.5 of this Agreement within the applicable Project Period, as required by the Act, the Project shall revert retroactively to *ad valorem* property taxation required by the Code, but subject to the provisions of Section 5.1(F)(2) of this Fee Agreement. If the Fee Agreement is terminated pursuant to this provision, the Company shall reimburse the County for a portion of its direct cash outlay for the purchase of the Project Property not to exceed \$262,500 (the "Land Expenditure"). The following formulas shall be used to calculate the required reimbursement:

Step 1:	$\frac{\text{Actual Investment}}{\$10.5 \text{ million}} \times 100\% =$	Investment Achievement Percentage
Step 2:	$\frac{\text{Actual Job Creation}}{50 \text{ new jobs}} \times 100\% =$	Job Creation Percentage
Step 3:	$\frac{\text{Investment AchievementPercentage +/- Job CreationPercentage}}{\quad} =$	Overall Achievement Percentage
Step 4:	$100\% - (\text{Overall Achievement Percentage}) = \text{Reimbursement Factor}$	

6.4. *Transfer of Project; Financing*

Pursuant to Section 12-44-120 (A) of the Act, (a) an interest in this Fee Agreement and the Project, or (b) an equity interest or other interest in an entity with an interest in this Fee Agreement or the Project, or both, may be transferred to another entity at any time. Whenever consent of the County is required under the Act or this Fee Agreement for any of the foregoing transactions, such consent shall not be unreasonably withheld. Such consent shall be deemed to have been given if notice thereof is given to the County pursuant to Section 8.3(a) or (c), no objection by the County is received by the Company within fourteen (14) days of receipt of the notice, and such notice specifies that consent shall be deemed to have been given if no objection is received by the Company within fourteen (14) days of the date notice is given.

6.5. *Financing*

Financing, lending, security, sale-leaseback, assignments, leases, subleases, or similar arrangements are permitted in accordance with Sections 12-44-120 (B) and (C) of the Act. The Company shall cause the County and the Department of Revenue to be notified of a financing-related transfer of the Fee Agreement or the Project within sixty (60) days of such transfer. Such notice shall be in writing and shall include the identity of each transferee and any other information required by the Department of Revenue with any appropriate returns.

6.6. *Leasing of Project*

The Company may at any time lease or sublease the Project or portions of the Project on such terms as the Company may determine in its sole discretion, provided that such terms are not inconsistent with this Fee Agreement. No lease or sublease shall reduce any of the obligations of the Company hereunder unless expressly approved in writing by the County.

6.7. *Assistance in Obtaining Permits and Licenses*

If any application is made to a governmental or other agency by the Company or the County for any permit, license, or approval to do or to perform certain things necessary for the proper performance of this Fee Agreement, the Company and the County shall execute, upon the request of the other party, such applications as may reasonably be requested or required.

6.8. *Filing of Annual Report of Investment in Project*

Upon request of the County, the Company shall provide to the County a copy of the annual return to the Department of Revenue showing the investment of the Company in the Project (currently, Form PT-300S). The County shall accord this information the same degree of confidentiality as is required for the Department.

6.9 *Filing of Annual Report of Job Creation*

The Company shall annually, not later than January 31 of each year, report to the County the total employment at the Project summarized by United States Postal Service Zip Code.

7. EVENTS OF DEFAULT AND REMEDIES

7.1. *Events of Default by Company*

Any one or more of the following events shall constitute an "Event of Default" by Company:

(A) if default shall occur in the due and punctual payment of any Additional Payments to the County, which default shall not have been cured within thirty (30) days following receipt of written notice thereof from the County;

(B) if FILOT Payments, together with any interest or penalties thereon, shall not have been paid within the maximum time that would be permitted by law if the Project were subject to *ad valorem* property taxes;

(C) if the Company shall fail to perform or comply with any of the terms of this Fee Agreement, other than those referred to in Section 3.5 and the foregoing Subsections (A) or (B), and such default shall (i) continue for thirty (30) calendar days after the County has given the Company written notice of such default, or (ii) in the case of any such default that can be cured, but cannot be cured with due diligence within such thirty (30) day period, if the Company shall fail to proceed promptly and with due diligence to cure the same within such additional period as may be necessary to complete the curing of the same with all due diligence;

(D) if the Company shall file a voluntary petition seeking an order for relief in bankruptcy; or shall be adjudicated insolvent; or shall file any petition or answer or commence a case seeking reorganization, composition, readjustment, liquidation or similar order for relief for itself under any present or future statute, law or regulation; or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Company or of the Project; or shall make any general assignment for the benefit of creditors; or shall admit in writing its inability to pay its debts generally as they become due;

(E) if a petition shall be filed or a case shall be commenced against the Company seeking an order for relief in bankruptcy or any reorganization, composition, readjustment, liquidation or similar relief under any present or future statute, law or regulation, and shall remain undismissed or unstayed for an aggregate of ninety (90) days (whether or not consecutive); or if any trustee, receiver or liquidator of the Company or of all or any substantial part of its properties or of the Project shall be appointed without the consent or acquiescence of the Company and such appointment shall remain unvacated or unstayed for an aggregate of ninety (90) days (whether or not consecutive); or

(F) if any material representation or warranty made by the Company herein proves untrue in any material and adverse respect as of the date of making the representation or warranty.

7.2. Remedies on Event of Default by Company

Upon the occurrence of any Event of Default, the County, may, at its option, take any one or more of the following actions: (i) terminate this Fee Agreement by thirty (30) days notice in writing specifying the termination date; (ii) take whatever action at law or in equity as may appear necessary or desirable to collect the sums under Article 4 then due and thereafter to become due, but in no event may the County collect more than it is entitled to collect under Section 5.1(F) and (G). In all events, if the Company fails to make Fee Payments due under Section 5.1, the County shall have the same enforcement, lien, and collection rights and remedies as it would have had for the non-payment of *ad valorem* taxes.

7.3. Default by County

Upon the failure of the County to perform any obligation it may have under this Fee Agreement or the Related Documents in a timely manner, or if no time for performance is specified, then within thirty (30) days following written notice thereof from the Company to the County, the Company may pursue any remedy permitted by this Fee Agreement or available by law or in equity, including, but not limited to, specific performance or suit for *mandamus*.

8. MISCELLANEOUS

8.1. Rights and Remedies Cumulative

Each right, power and remedy of the County or of the Company provided for in this Fee Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Fee 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 Fee 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.

8.2. Successors and Assigns

The terms and provisions of this Fee Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

8.3. Notices; Demands; Requests

All notices, demands and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if (a)

personally delivered by any entity which provides written evidence of such delivery, or (b) sent by United States first class mail, postage prepaid (in which event notice shall be deemed to occur two (2) calendar days after the date postmarked), or (c) sent by United States registered or certified mail, return receipt requested, postage prepaid (in which event notice shall be deemed to occur on the date on which delivery was accepted or rejected by the recipient). Notices, demands and requests shall be addressed as follows or to such other places as may be designated in writing by such party by proper notice to the other party.

(a) As to the County:

Fairfield County
Post Office Drawer 60
Winnsboro, South Carolina 29180
Attention: County Administrator
Telephone: (803) 712-6501
Facsimile: (803) 635-5969

(b) As to the Company:

Lang Mekra North America, LLC
101 Tillesses Boulevard
Ridgeway, South Carolina 29130
Attention: Sabine Lang
Telephone: (803) 327-5264
Facsimile: (803) 327-5265

With a Copy to:

McNair Law Firm, P.A.
Post Office Box 11390
Columbia, South Carolina 29211
Attention: Erik P. Doerring
Telephone: (803) 799-9800
Fax: (803) 376-2277

8.4. *Next Succeeding Business Day*

Unless otherwise expressly provided by applicable law, in any case in which the last date for action by or notice to a party falls on a Saturday, Sunday or date that is an official state or federal holiday in the place in which the address is located, then the action required or notice to be given may be made or given on the next succeeding business day with the same effect as if given as required by this Fee Agreement.

8.5. *Applicable Law; Entire Understanding*