

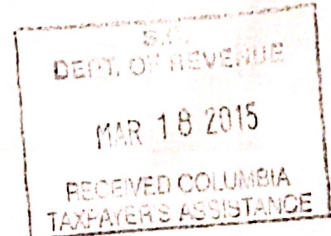
FEE-IN-LIEU OF AD VALOREM TAXES AGREEMENT

BETWEEN

GITI TIRE HOLDINGS (USA) LTD.

AND

CHESTER COUNTY, SOUTH CAROLINA



DATED AS OF JUNE 16, 2014

PREPARED BY:

**PARKER POE ADAMS & BERNSTEIN LLP
1201 MAIN STREET, SUITE 1450 (29201)
POST OFFICE BOX 1509
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Execution Version

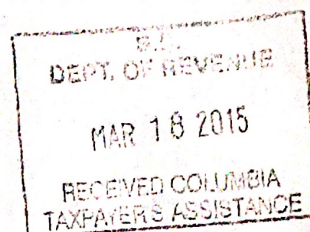
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TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS	2
Section 1.1 <i>Terms</i>	2
ARTICLE II REPRESENTATIONS AND WARRANTIES.....	6
Section 2.1 <i>Representations of the County</i>	6
Section 2.2 <i>Representations of the Company</i>	6
ARTICLE III FILOT PAYMENTS.....	7
Section 3.1 <i>Negotiated FILOT Payments</i>	7
Section 3.2 <i>Special Source Revenue Credit</i>	9
ARTICLE IV ADDITIONAL TERMS	13
Section 4.1 <i>FILOT Payments on Replacement Property</i>	13
Section 4.2 <i>Reductions in Payments of Taxes Upon Removal, Condemnation or Casualty</i>	13
Section 4.3 <i>Place and Allocation of FILOT Payments</i>	14
Section 4.4 <i>Removal of Equipment</i>	14
Section 4.5 <i>Damage or Destruction of Project</i>	14
Section 4.6 <i>Condemnation</i>	14
Section 4.7 <i>Maintenance of Existence</i>	14
Section 4.8 <i>Confidentiality/Limitation on Access to Project</i>	15
Section 4.9 <i>Supporting Documentation</i>	15
Section 4.10 <i>Assignment and Subletting</i>	15
Section 4.11 <i>Leased Equipment</i>	15
Section 4.12 <i>Events of Default</i>	16
Section 4.13 <i>Remedies on Default</i>	16
Section 4.14 <i>Remedies Not Exclusive</i>	16
Section 4.15 <i>Future Filings</i>	17
Section 4.16 <i>Fiscal Year; Property Tax Year</i>	17
ARTICLE V MISCELLANEOUS	17
Section 5.1 <i>Notices</i>	17
Section 5.2 <i>Binding Effect</i>	18
Section 5.3 <i>Counterparts</i>	18
Section 5.4 <i>Governing Law</i>	18
Section 5.5 <i>Headings</i>	18
Section 5.6 <i>Amendments</i>	18
Section 5.7 <i>Further Assurance</i>	18
Section 5.8 <i>Severability</i>	18
Section 5.9 <i>Limited Obligation</i>	18
Section 5.10 <i>Force Majeure</i>	18
Section 5.11 <i>County Expenses</i>	18
Section 5.12 <i>Execution Disclaimer</i>	19
Section 5.13 <i>Indemnification Covenants</i>	19
Section 5.14 <i>Company Option to Terminate</i>	19
Section 5.15 <i>Rollback Tax</i>	19
<u>Exhibit A</u> – Joinder of FILOT Agreement	
<u>Exhibit B</u> – Annual Credit Certification	

FEE-IN-LIEU OF AD VALOREM TAXES AGREEMENT

THIS FEE-IN-LIEU OF AD VALOREM TAXES AGREEMENT ("Fee Agreement") is entered into, effective, as of June 16, 2014, between Chester County, South Carolina ("County"), a body politic and corporate and a political subdivision of the State of South Carolina ("State"), acting through the Chester County Council ("County Council") as the governing body of the County, and Giti Tire Holdings (USA) Ltd., and/or one or more existing, or to-be-formed or acquired subsidiaries, or affiliated or related entities (each, "Company Affiliate," as defined below including one or more Sponsor Affiliates, to the extent allowed by and as defined in Section 12-44-30 of the Act (as defined below), as amended (collectively, "Company"), each a "Party", and collectively, the "Parties").

WITNESSETH:

(a) The County is authorized by the Code of Laws of South Carolina, 1976, as amended ("Code") and, in particular, Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended ("Act"), to enter into a fee agreement with qualifying industries to induce such industries to locate in the State and thus make use of and employ manpower and other resources of the State. The County is further authorized to grant special source revenue credits to qualifying companies to offset qualifying infrastructure related expenditures through a credit against FILOT Payments (as defined below) pursuant to Section 12-44-70 of the Act and Sections 4-1-175 and 4-29-68 of the Code.

(b) Pursuant to the Act, the County finds that (a) the Project (as defined below) is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefit not otherwise adequately provided locally; (b) the Project gives rise to no pecuniary liability of the County or incorporated municipality and to no charge against its general credit or taxing power; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the benefits of the Project to the public are greater than the costs to the public.

(c) The Company is considering the establishing and equipping of tire manufacturing plants, support operations of a corporate facility, a research and development facility, and a distribution and sales facility through the acquisition, construction and purchase of certain land, buildings, furnishings, fixtures, apparatuses, and equipment (collectively, "Project"), which will result in an investment in real and personal property of not less than Five Hundred Million Dollars (\$500,000,000) ("Investment Requirement") and the creation of 1,316 jobs ("Job Requirement"), in the County.

(d) Pursuant to a Resolution adopted by the County Council on May 5, 2014 ("Identifying Resolution"), the County formally identified the Project, as a "project," as provided in the Act and authorized the execution and delivery of a Memorandum of Understanding dated May 8, 2014.

(e) Pursuant to an Ordinance adopted by the County Council on June 16, 2014 ("Fee Ordinance"), the County authorized (i) the execution and delivery of this Fee Agreement with the Company; (ii) the provision of an annual Special Source Revenue Credit as provided in this Fee Agreement; and (iii) the provision of additional incentives as further set forth in this Fee Agreement, the Fee Ordinance, or other ancillary agreements that the Parties deem appropriate.

NOW, THEREFORE, AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, Parties agree as follows, with the understanding that **no obligation of the County described herein shall create a pecuniary liability or charge upon its general credit or taxing powers, but shall be payable solely out of the sources of payment described herein and shall not under any circumstances be deemed to constitute a general obligation of the County.**

ARTICLE I DEFINITIONS

Section 1.1 Terms. The terms defined in this Article shall for all purposes of this Fee Agreement have the meaning herein specified, unless the Act or the context clearly requires otherwise.

“Chairman” means the Chairman of the County Council of Chester County, South Carolina or any substantially similar position in the County that may hereinafter replace the position of Chairman.

“Clerk to County Council” means the Clerk to County Council of Chester County, South Carolina.

“Code” means the South Carolina Code of Laws, 1976, as amended.

“Commencement Date” means the earlier of: (a) the last day of the first property tax year during which Economic Development Property is placed in service and (b) the last day of the property tax year that is three years from the year in which the Parties entered into this Fee Agreement, provided, however, for the purposes of this Fee Agreement, the first property tax year during which Economic Development Property is placed in service is determined by the Company’s first filing with South Carolina Department of Revenue an SCDOR Form PT-300S or comparable form indicating a FILOT filing with respect to the Project.

“Company” means Giti Tire Holdings (USA) Ltd., any Company Affiliate and one or more Sponsor Affiliates, to the extent allowed by and as defined in Section 12-44-30 of the Act.

“Company Affiliate” means any now existing or to-be-formed entity, that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the Company.

“County” means Chester County, South Carolina, a body politic and corporate and political subdivision of the State of South Carolina, its successors and assigns, acting through the Chester County Council as the governing body of the County.

“County Council” means the Chester County Council, the governing body of the County.

“Credit Certification” has the meaning set forth in Section 3.2(b) of this Fee Agreement.

“Credit Period” has the meaning set forth in Section 3.2(a) of this Fee Agreement.

“Cure Period” has the meaning set forth in Section 3.2(f) of this Fee Agreement.

“Diminution of Value” with respect to any Phase of the Project, means any reduction in the value based on original fair market value, as determined in Step 1 of Section 3.1(b) of this Fee Agreement, of the items which constitute a part of the Phase which may be caused by (i) the Company’s removal of equipment pursuant to this Fee Agreement, (ii) a casualty to the Phase of the Project, or any part thereof, described in this Fee Agreement, or (iii) a condemnation to the Phase of the Project, or any part thereof, described in this Fee Agreement.

“DOR” means the South Carolina Department of Revenue.

“Economic Development Property” means all items of real and tangible personal property comprising the Project which qualify as economic development property under the Act and which are identified by the Company in connection with the Company or its Sponsor Affiliate’s annual filing of a SCDOR PT-100, PT-300 or comparable forms with DOR (as such filing may be amended from time to

time) for each year within the Investment Period become subject to this Fee Agreement. Title to all Economic Development Property shall at all times remain vested in the Company, except as may be necessary to take advantage of the effect of Section 12-44-160 of the Act. The land acquired by the Company or its Sponsor Affiliate from the County and the improvements made to land by the County on behalf of the Company shall be Economic Development Property. Equipment leased, even if leased pursuant to an operating lease, from a Sponsor Affiliate and installed at the Project shall qualify as Economic Development Property.

“Equipment” means all of the machinery, equipment, furniture and fixtures, together with any and all additions, accessions, replacements and substitutions thereto or therefor acquired by the Company or its Sponsor Affiliate during the Investment Period as a part of the Project.

“Event of Default” means any one or more of the occurrences specified in Section 4.12 this Fee Agreement.

“Excess Value” has the meaning set forth in Section 4.1(b) of this Fee Agreement.

“Fair Market Value of the Real Property” means the original income tax basis for State income tax purposes for any real property.

“Fee Agreement” means this Fee-in-Lieu of *Ad valorem* Taxes agreement.

“Fee Ordinance” means an Ordinance adopted by the County Council on June 16, 2014.

“Fee Term” or **“Term”** means the period from the effective date of this Fee Agreement until the last Phase Termination Date, unless sooner terminated or extended pursuant to the terms of this Fee Agreement.

“FILOT” means fee in lieu of *ad valorem* taxes.

“FILOT Payment” means each payment in lieu of taxes, which the Company is obligated to pay to the County, including, but not limited to, those payments due with respect to Economic Development Property.

“Identifying Resolution” means a Resolution adopted by the County Council on May 5, 2014.

“Improvement” means each improvement, together with any and all additions, accessions, replacements and substitutions thereto or therefor acquired by or for the Company or its Sponsor Affiliate, to the extent allowed by law, during the Investment Period.

“Investment” means investments by the Company or its Sponsor Affiliate in the land, buildings, furnishings, fixtures, apparatuses, and equipment comprising the Project, which qualify as Economic Development Property. Investment in acquisition of land, site grading and infrastructure supporting the Project which is funded by Company or through the GCFG or Additional Assistance (as such are defined in the certain Performance Agreement dated June 5, 2014 between the Company, the County and the South Carolina Coordinating Council for Economic Development) shall be credited toward any determination of investment requirements under this Fee Agreement.

“Investment Period” means, as provided under and subject to the requirements of Section 12-44-30(13) of the Act, the total period of 15 years, based on the 10 year period provided for enhanced investments, along with a 5 year extension granted by the County pursuant to the terms of this Fee Agreement. The period shall commence on the first day Economic Development Property is purchased or acquired and end on the last day of the 15th property tax year following the Commencement Date.

“Investment Requirement” means Investment of not less than Five Hundred Million Dollars (\$500,000,000). Investment in acquisition of land, site grading and infrastructure supporting the Project which is funded through the GCFG or Additional Assistance (as such are defined in the certain Performance Agreement dated June 5, 2014 between the Company, the County and the South Carolina Coordinating Council for Economic Development) shall be credited toward the Investment Requirement.

“Investment Shortfall” has the meaning set forth in Section 3.2(c) of this Fee Agreement.

“Job Requirement” means the creation of 1,316 jobs within the County.

“Job Creation Shortfall” has the meaning set forth in Section 3.2(d) of this Fee Agreement.

“Jobs” or **“jobs”** Any reference in this Fee Agreement to the number of jobs, positions, or employment to be created and/or maintained, shall be deemed to include any of the following employees: (i) any full-time employee of the Company or a Company Affiliate within the County; (ii) any expatriate employee of the Company or a Company Affiliate employed full-time in the County on a temporary basis but for a period not less than ninety (90) days; (iii) any full-time employee of a third-party contractor of the Company providing warehousing services or other related services to the Company in the County; or (iv) any employee of a contract employment agency provided to the Company in the County. The Company shall be entitled to claim any of the employees listed above when determining whether it has satisfied the relevant job-creation or maintenance obligation.

“MCIP Act” means Section 4-1-170 of the Code.

“Original Value” has the meaning set forth in Section 4.1(a) of this Fee Agreement.

“Park” or **“MCIP”** means the multi-county industrial park that the County has or plans to create pursuant to the MCIP Act with a contiguous county and that is or is to be governed by an MCIP Agreement.

“Party”, and collectively, the **“Parties”** means Chester County and Giti Tire Holdings (USA) Ltd.

“Phase,” in respect to the Project, means all that property comprised of the Equipment, Improvements and Real Property, if any, placed in service during each year of the Investment Period.

“Phase Termination Date” means, with respect to each Phase of the Project, the 50th anniversary, subject to extensions provided for herein, of the date each such Phase of the Project becomes subject to the terms of this Fee Agreement. Anything contained herein to the contrary notwithstanding, the last Phase Termination Date shall be no later than December 31 of the year of the expiration of the maximum period of years that the annual fee payment is available to the Company under Section 12-44-30(20) of the Act, as amended.

“Project” means the establishing and equipping of tire manufacturing plants, support operations of a corporate facility, a research and development facility, and a distribution and sales facility through the acquisition, construction and purchase of the Real Property and Equipment.

“Project Commitment Deadline” means the last day of the Investment Period.

“Qualifying Expenditures” has the meaning set forth in Section 3.2(k) of this Fee Agreement.

“Real Property” means real property, together with all and singular the rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto acquired or constructed by the Company or its Sponsor Affiliate at the Project site; all Improvements now or hereafter

situated thereon; and all fixtures now or hereafter attached thereto prior to the expiration of the Investment Period.

“Removed Component” means the following types of components or Phases of the Project or portions thereof, all of which the Company shall be entitled to remove from the Project with the result that the same shall no longer be subject to the terms of this Fee Agreement: (a) components or Phases of the Project or portions thereof which the Company in its sole discretion, determines to be inadequate, obsolete, worn-out, uneconomic, unsuitable, undesirable or unnecessary; or (b) components or Phases of the Project or portions thereof which the Company in its sole discretion, elects to remove pursuant to this Fee Agreement.

“Replacement Property” means any property which is placed in service in accordance with the Act as a replacement for any item of Equipment or any Improvement which is scrapped or sold by the Company or its Sponsor Affiliate and treated as a Removed Component regardless of whether such property serves the same function as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment or any Improvement.

“Replacement Value” has the meaning set forth in Section 4.1(a) of this Fee Agreement.

“Sponsor” has the meaning provided in the Act.

“Sponsor Affiliate” means either i) a special purpose entity wholly owned by the Company and /or Company Affiliates; ii) one or more Company Affiliates in existence at the time of this Fee Agreement; and/or iii) one or more Company Affiliates to be created, provided that they invest in and/or own all or a portion of the real or personal property comprising the Project. In addition, Sponsor Affiliate shall also mean any entity which enters into a lease for real or personal property such as an equipment lease or a lease of a warehouse or distribution center. Company shall obtain from each Sponsor Affiliate a written joinder, the form of which is attached hereto as Exhibit A, that the leased property is Economic Development Property and subject to the FILOT payments required under this Fee Agreement. Copies of any fully executed joinder shall be provided to the County upon execution by any Sponsor Affiliate. For purposes of meeting any investment requirements within this Fee Agreement or defining Economic Development Property for the initial portion of the Project or any expansion stages provided for in Section 4 of this Fee Agreement, an investment by the Sponsor Affiliate shall be deemed an investment by the Company. To the extent that any Sponsor Affiliate as defined herein shall require formal approval by County Council in accordance with the Act, County Council agrees to provide approval upon request by the Company to the County. With respect to any Sponsor Affiliate relating to this Fee Agreement, the Company agrees to be responsible to ensure that documentation required by State law (including, but not limited to, a PT-443 filing) is filed with the South Carolina Department of Revenue.

“SSRC” has the meaning set forth in Section 3.2(a) of this Fee Agreement.

“SSRC Investment Reimbursement” has the meaning set forth in Section 3.2(c) of this Fee Agreement.

“SSRC Job Reimbursement” has the meaning set forth in Section 3.2(d) of this Fee Agreement.

“SSRC Phase Termination Date” means, with respect to each Phase of the Project, the 60th anniversary of the date each Phase of the Project becomes subject to the terms of this Fee Agreement.

“SSRC Reimbursement Period” has the meaning set forth in Section 3.2(h) of this Fee Agreement.

“State” means the state of South Carolina.

“**Transaction Documents**” means (i) this Fee Agreement, (ii) the Identifying Resolution, (iii) the Fee Ordinance, (iv) the applicable MCIP companion ordinance, and (vi) any other resolutions or ordinances to be ratified by the County Council related to this Fee Agreement.

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

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.1 *Representations of the County.* The County hereby represents and warrants to the Company:

(a) the County is a body politic and corporate and a political subdivision of the State which acts through the County Council as its governing body and, by the provisions of the Act, is authorized and empowered to enter into the transactions contemplated by this Fee Agreement and to carry out its obligations. The County has duly authorized the execution and delivery of this Fee Agreement and any other agreements described in this Fee Agreement.

(b) based on representation of the Company that Equipment, Improvements, and Real Property, including their acquisition, construction, installation, design and engineering, are considered necessary, suitable, or useful by the Company, the Project constitutes a “project” within the meaning of the Act.

(c) by due corporate action, the County has agreed that, subject to compliance with applicable laws, and to the extent permitted by the Act, each item of real and tangible personal property comprising the Project shall be considered Economic Development Property under the Act.

Section 2.2 *Representations of the Company.* The Company hereby represents and warrants to the County:

(a) the Company is qualified or will be qualified to do business in the State and has power to enter into this Fee Agreement.

(b) the Company’s execution and delivery of this Fee Agreement and its compliance with the provisions in this Fee Agreement will not result in a default, not waived or cured, under any Company restriction or any agreement or instrument to which the Company is now a party or by which it is bound.

(c) the Company intends to operate the Project as a “project” within the meaning of the Act as in effect on the date of this Fee Agreement.

(d) the availability of the FILOT incentives set forth in this Fee Agreement and the allowance of Special Source Revenue Credits, with regard to the Economic Development Property authorized by the Act, has, in part, induced the Company to undertake the Project in the County.

(e) in accordance with the Act, the Company intends to meet the Investment Requirement and the Job Requirement.

**ARTICLE III
FILOT PAYMENTS**

Section 3.1 *Negotiated FILOT Payments.*

(a) FILOT Payments Required; Term: Pursuant to Section 12-44-50 of the Act, the Company is required to make FILOT Payments on all Economic Development Property comprising the Project and placed in service during the Investment Period. Pursuant to Section 12-44-30(21) of the Act, the Company has requested and the County has granted a 10-year extension of the term of this Fee Agreement, provided, however, the Company is not required to make its first FILOT Payment until the property tax year with respect to which the Company makes its first annual filing with SCDOR of an SCDOR Form PT-300S or comparable form indicating a FILOT filing with respect to property subject to this Fee Agreement.

(b) Calculating the FILOT Payment: The amount of annual FILOT Payments shall be determined by the following procedure:

Step 1: Determine the fair market value of the Phase of the Project placed in service in any given year for such year and for the following 49 years (for a total period for 50 years) using original income tax basis for State income tax purposes for any real property ("Fair Market Value of the Real Property") and original income tax basis for State income tax purposes less depreciation for each year allowable to the Company for any personal property as determined in accordance with Title 12 of the Code, as amended and in effect on December 31 of the year in which each Phase becomes subject to this Fee Agreement, except that no extraordinary obsolescence shall be allowable but taking into account all applicable property tax exemptions which would be allowed to the Company under State law, if the property were taxable, except those exemptions specifically disallowed under Section 12-44-50(A)(2) of the Act, as amended and in effect on December 31 of the year in which each Phase becomes subject to this Fee Agreement.

Step 2: Multiply the fair market value by an assessment ratio of 4% to establish the taxable value of each Phase of the Project in the year it is placed in service and in each of the 49 years thereafter (for a total period of 50 years).

Step 3: Multiply the taxable value by a millage rate of 373.8 mils (.3738), which millage rate shall be a fixed rate for the Fee Term, to determine the amount of the FILOT Payments which would be due in each year of the Fee Term on the payment dates prescribed by the County for such payments.

Step 4: Subtract from the FILOT Payment, with respect to the Economic Development Property, an amount equal to the value of the Special Source Revenue Credit set forth in Section 3.2 of this Fee Agreement.

(c) Investment: As of the Project Commitment Deadline, the Company shall either cause the Investment Requirement to be satisfied or be subject to the refund requirements of Section 3.1(d) below. If the Company satisfies the Investment Requirement at any time prior to the end of the Investment Period, the Company shall have no repayment liability for the FILOT or the SSRC benefits discussed in this Fee Agreement.

(d) Failure to Meet Investment Requirement: If, as of the Project Commitment Deadline, the Company has failed to cause the Investment Requirement to be satisfied, then the Company shall refund to the County a portion of the SSRC(s) received during the Investment Period in accordance with the SSRC Investment Reimbursement formula set forth in Section 3.2(c) of this Fee Agreement. In the event

that Company fails to meet the Investment Requirement but meets the requirements of the "Enhanced Investment" as specified in either Section 12-44-30(7)(a) or (b) of the Act, then pursuant to Section 12-44-100(a) of the Act, Company shall continue to receive the benefits of this Fee Agreement, but be subject to reimbursement obligations as specified in Sections 3.2(c) and (d) below.

(e) [Reserved]

(f) Job Creation: On or before Project Commitment Deadline, the Company shall cause the Job Requirement to be fulfilled or be subject to the refund requirements of Section 3.1(g) below. If the Company satisfies the Job Requirement at any time prior to the end of the Investment Period, the Company shall have no repayment liability for the FILOT or the SSRC benefits discussed in this Fee Agreement.

(g) Failure to Meet Job Requirement: If, as of Project Commitment Deadline, the Company has failed to cause the Job Requirement to be fulfilled, then the Company shall refund to the County a portion of the SSRC(s) received during the Investment Period in accordance with the SSRC Job Reimbursement formula set forth in Section 3.2(d) of this Fee Agreement.

(h) [Reserved].

(i) Adjustments From Final Court Order: If it is determined by a final order of a court of competent jurisdiction or by agreement of Parties that the minimum payment in lieu of taxes applicable to this transaction is to be calculated differently than described above, then the payment shall be reset at the minimum permitted level so determined.

(j) Adjustments If Act Invalidated: If the Act, the above-described FILOT Payments or Special Source Revenue Credits are declared invalid or unenforceable by a final order of a court of competent jurisdiction, in whole or in part, for any reason, Parties express their intention that payments and this Fee Agreement be reformed so as to most closely effectuate the legal, valid, and enforceable intent thereof and so as to afford the Company the benefits to be derived in this Fee Agreement. If the Project is deemed to be subject to *ad valorem* taxation, the payment in lieu of *ad valorem* taxes to be paid to the County by the Company shall be equal to the amount which would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the Project were and had not been Economic Development Property as defined under the Act. In such event, any amount determined to be due and owing to the County from the Company, as the case may be, with respect to a year or years for which payments in lieu of *ad valorem* taxes have been previously remitted by the Company to the County, shall be reduced by the total amount of payments in lieu of *ad valorem* taxes already made by the Company with respect to the Project for that year or years, pursuant to the terms of this Fee Agreement, and further reduced by any abatements provided by law.

(k) Amendment Allowing Fair Market Value of Real Property Through Appraisal: In the event that there is an impairment to the value of Real Property which is a part of the Project, then:

- (i) the Company may request that the County amend this Fee Agreement so that the definition of Fair Market Value of Real Property becomes the fair market value for *ad valorem* property taxes as determined by appraisal as if such property were not subject to the Fee as provided for in Section 12-44-50 of the Act, and
- (ii) the County shall consider such request, and if, in the County's reasonable determination such amendment would equitably adjust FILOT payment in light of the true value of the Real Property, then the County and Company will enter into such amendment.

Section 3.2 Special Source Revenue Credit.

(a) **SSRC Benefit:** The County hereby grants to the Company a special source revenue credit ("SSRC") for each Phase of the Project, with the benefit commencing upon the Company's written notice to the County that the Company is commencing the Credit Period and ending on the SSRC Phase Termination Date, so that the first SSRC credit is applied to the first FILOT Payment following the Company's written notice and ending as set forth below ("Credit Period"):

- In years 1 – 7 the SSRC will equal 80% of FILOT Payment;
- In years 8 – 10 the SSRC will equal 65% of FILOT Payment;
- In years 11 – 50 the SSRC will equal 50% of FILOT Payment; and
- In years 51 – 60 the SSRC will equal an amount sufficient to yield a net annual payment obligation for the Company equal to the amount that would have been due assuming a payment calculated as follows: original costs basis (less applicable depreciation) X assessment rate of 4% X a millage rate of .3738, less an SSRC of 50%.

The Company, in its sole discretion, shall notify the County as provided in Section 3.2(a) that it wishes to commence the Credit Period. For illustration purposes only, if the Company commences the Credit Period for the year ending December 31, 2016, then the following schedule for the SSRC(s) would apply:

SSRC Year(s)	Calendar Year(s)	Tax Year(s)	FILOT Payment Due Date(s)	SSRC Amount
	2014	2015	January 15, 2016	No FILOT Payment/ No SSRC
	2015	2016	January 15, 2017	No FILOT Payment/ No SSRC
1	2016	2017	January 15, 2018	80%
2-7	2017-22	2018-23	January 15, 2019-24	80%
8-10	2023-24	2024-25	January 15, 2025-26	65%
11-50	2025-65	2026-66	January 15, 2027-67	50%
51-60	2066-75	2067-76	January 15, 2068-77	Calculated according to section 3.2(a)

If, and to the extent, the SSRC for a particular property tax year cannot be applied in full against the FILOT Payment for that year, because the total amount of SSRC(s) previously provided under this Fee Agreement, taken together with the SSRC for such year, exceed the total expenditures for SSRC purposes as set forth in Section 3.2(k), then the amount of such SSRC not applied with respect to such year shall be applied for the next earliest subsequent property tax year or years for which it can be applied, until such remainder amount has been completely applied.

(b) Credit Certificate; County Auditor: During each year of the Credit Period, the following procedure shall be observed:

- (i) Upon filing of the Company's annual property tax returns with DOR the Company shall provide a copy of the filings to the County Auditor; and
- (ii) Upon receipt of annual assessment notice(s) from DOR, the County Auditor shall provide the Company in a timely manner with a copy of same ("**Copy of Assessment**"); and
- (iii) The Company shall provide to the County Supervisor, County Attorney, and the County Auditor with an updated version of the Credit Certificate for all Economic Development Property comprising the Project owned by either the Company or its Sponsor Affiliates attached as Exhibit B ("**Credit Certification**"), and use good faith efforts to provide such within thirty (30) days of receipt of the Copy of Assessment; and
- (iv) The County Auditor shall reflect the amount(s) of any SSRC(s) on the annual FILOT bill issued to the Company, and, to the extent applicable, the FILOT bill issued to a Sponsor Affiliate; and
- (v) To the extent that SSRC(s) are provided to one or more Sponsor Affiliates pursuant to this Fee Agreement then the Company shall be responsible for the reimbursement of SSRC Benefits provided to Sponsor Affiliates which is required by this Fee Agreement as a result of any failure to meet any of the applicable investment, job creation or job maintenance requirements. The Company shall be responsible for such reimbursement regardless as to whether such Sponsor Affiliate is made a party to this Fee Agreement.

(c) Reimbursement of SSRC(s) for Investment Shortfall: If the Company fails to satisfy the Investment Requirement at the end of the Investment Period, the Company shall have a one-time repayment obligation ("**SSRC Investment Reimbursement**"), subject to the Company's cure right set forth in Section 3.2(f) of this Agreement. The value of the SSRC Investment Reimbursement shall be calculated in accordance with the following formula:

SSRC Investment Reimbursement Formula

Step 1: Calculation of Investment Shortfall Percentage

Investment Shortfall Percentage = 100% minus (All Investment in the Project as of the end of the Investment Period divided by the Investment Requirement), rounded down to the nearest integer.

If the Investment Shortfall Percentage is greater than zero, then an "Investment Shortfall" shall have occurred. If the Investment Shortfall Percentage is less than zero, then such amount shall be offset against any Job Creation Shortfall Percentage prior to the calculation of any repayment liability.

Step 2: Calculation of Investment SSRC Benefit

Investment SSRC Benefit = 65% x (Total Amount of SSRC(s) received by the Company during the Investment Period)

In the event of an Investment Shortfall, the amount to be repaid shall be determined by the chart below:

Investment Shortfall Percentage	Amount of Investment SSRC Benefit to be repaid
1%-10%	5% of Investment SSRC Benefit
11%-20%	10% of Investment SSRC Benefit
21%-30%	15% of Investment SSRC Benefit
31%-40%	20% of Investment SSRC Benefit
41%-50%	25% of Investment SSRC Benefit
51%-60%	30% of Investment SSRC Benefit
61%-70%	35% of Investment SSRC Benefit
71%-80	40% of Investment SSRC Benefit
81%-90%	45% of Investment SSRC Benefit
91%-100%	50% of Investment SSRC Benefit

(d) **Reimbursement of SSRC(s) for Job Creation Shortfall:** If the Company fails to satisfy the Job Requirement at the end of the Investment Period, the Company shall have a one-time repayment obligation (“SSRC Job Reimbursement”), subject to the Company’s cure right set forth in Section 3.2(f) of this Agreement. The value of such SSRC Job Reimbursement shall be calculated in accordance with the following formula:

SSRC Job Reimbursement Formula

Step 1: Calculation of Job Creation Shortfall Percentage

Job Creation Shortfall Percentage = 100% minus (All jobs created as of the end of the Investment Period divided by the Job Requirement), rounded down to the nearest integer.

If the Job Creation Shortfall Percentage is greater than zero, then a “Job Creation Shortfall” shall have occurred. If the Job Creation Shortfall Percentage is less than zero, then such amount shall be offset against any Investment Shortfall Percentage prior to the calculation of any repayment liability.

Step 2: Calculation of Job Requirement SSRC Benefit

Job Requirement SSRC Benefit = 35% x (Total Amount of SSRC(s) received by the Company during the Investment Period)

In the event of a Job Creation Shortfall, the amount to be repaid shall be determined by the chart below:

Job Creation Shortfall Percentage	Amount of Job Requirement SSRC Benefit to be repaid
1%-10%	5% of Job Requirement SSRC Benefit
11%-20%	10% of Job Requirement SSRC Benefit
21%-30%	15% of Job Requirement SSRC Benefit
31%-40%	20% of Job Requirement SSRC Benefit
41%-50%	25% of Job Requirement SSRC Benefit
51%-60%	30% of Job Requirement SSRC Benefit
61%-70%	35% of Job Requirement SSRC Benefit
71%-80%	40% of Job Requirement SSRC Benefit
81%-90%	45% of Job Requirement SSRC Benefit
91%-100%	50% of Job Requirement SSRC Benefit

(e) [Reserved]

(f) Cure Period: If either an SSRC Investment Reimbursement or an SSRC Job Reimbursement (collectively, "SSRC Reimbursement") is due under this Fee Agreement, then the Company shall have 12 months from the receipt of written notice thereof to cure the Investment Shortfall or Job Creation Shortfall, as the case may be, ("Cure Period"). During the Cure Period, the Company shall have no repayment obligation in connection with an SSRC Reimbursement.

(g) SSRC Reduction in lieu of Repayments: At the Company's sole discretion, if after the conclusion of any applicable Cure Period an SSRC Reimbursement remains due under this Fee Agreement, then instead of making a cash repayment as provided below, the Company may elect a reduction of future SSRC benefits in an amount sufficient to equal the SSRC Reimbursement. The Company shall provide the County with written notice of the benefit reduction and calculation and this Fee Agreement shall be deemed amended to reflect the reductions. No interest shall be due in connection with any such benefit reduction.

(h) Timing and Remedies for Reimbursement Payments: If after the conclusion of any applicable Cure Period an SSRC Reimbursement remains due under this Fee Agreement, should the Company in its sole discretion elect to make a cash repayment, the Company shall have ninety (90) days to reimburse the County upon receipt of written notice by the County to the Company stating the accurate total amount of the SSRC Reimbursement due ("SSRC Reimbursement Period"). No interest shall be due in connection with any cash repayment for the SSRC Reimbursement Period.

(i) Continuation of Benefits: Notwithstanding any circumstance that may cause an SSRC Reimbursement to be due under this Fee Agreement, the FILOT and SSRC benefits shall continue under this Fee Agreement after provision for the SSRC Reimbursement for the remainder of the term of this Fee Agreement.

(j) Changes to *Ad valorem* Tax: During the Term of this Fee Agreement, if, due to any change in assessment ratio, millage, or statutory change in the manner in which property taxes are calculated, determined, or assessed in South Carolina, the amount of the annual FILOT Payment for the Economic Development Property due the County, as calculated in Section 3.1 of this Fee Agreement, in the year in which the FILOT Payment is determined by the County Auditor, exceeds the value of that which the Company would pay the County if the Economic Development Property were otherwise subject to standard *ad valorem* property tax in the County in that same year ("*Ad valorem* Payment"), then the Company shall notify the County Auditor in writing setting forth both the amount that the Company believes the *Ad valorem* Payment to be as well as the difference between the FILOT Payment and the *Ad valorem* Payment. The County shall then grant the Company an additional Special Source Revenue Credit for that property tax year in the amount equal to the actual difference between the FILOT Payment and the *Ad valorem* Payment.

(k) SSRC Limitation: The total amount of SSRC(s) provided to the Company under this Section 3.2 shall not in any event, in aggregate, exceed the total cost of the Company's qualifying expenditures in Real Property (including any Improvement and fixtures) and Project-related infrastructure used in operating the Project (collectively, "**Qualifying Expenditures**"). Initially, expenditures on personal property (other than personal property constituting Project-related infrastructure) shall not be included in the determination of the amount of Qualifying Expenditures, absent express written authorization as the Company may provide to the County, at any time, from time to time, that such personal property expenditures shall be so included in the determination of the amount of Qualifying Expenditures .

ARTICLE IV ADDITIONAL TERMS

Section 4.1 *FILOT Payments on Replacement Property*. If the Company, or the Sponsor Affiliate, elects to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Project, then, pursuant and subject to Section 12-44-60 of the Act, the Company shall make statutory payments in lieu of *ad valorem* taxes with regard to such Replacement Property as follows:

(a) to the extent that the income tax basis of the Replacement Property ("**Replacement Value**") is less than or equal to the original income tax basis of the Removed Components ("**Original Value**"), the amount of the FILOT Payments to be made by the Company with respect to Replacement Property shall be calculated in accordance with Section 3.1; provided, however, in making such calculations, the original cost to be used in Step 1 of Section 3.1(b) shall be equal to the lesser of (x) the Replacement Value or (y) the Original Value, and the number of annual payments to be made with respect to the Replacement Property shall be equal to fifty (50) (or, if greater, the maximum number of years for which the annual fee payments are available to the Company for each portion of the Project under the Act, as amended) minus the number of annual payments which have been made with respect to the oldest Removed Components disposed of in the same property tax year as the Replacement Property is placed in service; and

(b) to the extent that the Replacement Value exceeds the Original Value of the Removed Components ("**Excess Value**") and the Replacement Property is placed in service following the end of the Investment Period, the FILOT Payments to be made by the Company with respect to the Excess Value shall be equal to the payment that would be due if the property were not Economic Development Property.

Section 4.2 *Reductions in Payments of Taxes Upon Removal, Condemnation or Casualty*. In the event of a Diminution in Value of any Phase of the Project, the FILOT Payment with regard to that Phase of the Project shall be reduced in the same proportion as the amount of such Diminution in Value

bears to the original fair market value of that Phase of the Project as determined pursuant to Step 1 of Section 3.1(b).

Section 4.3 *Place and Allocation of FILOT Payments.* The Company shall make the above-described FILOT Payments directly to the County in accordance with applicable law, subject to any reductions resulting from the application of the SSRC(s) as set forth in Sections 3.2(a) and (b) of this Fee Agreement.

Section 4.4 *Removal of Equipment.* The Company shall be entitled to remove, in its sole discretion, components of or Phases of the Project from the Project with the result that said components or Phases (as defined above) shall no longer be considered a part of the Project and shall no longer be subject to the terms of this Fee Agreement, subject, always, to the terms of Section 12-44-30(14) of the Act.

Section 4.5 *Damage or Destruction of Project.*

(a) *Election to Terminate.* In the event the Project is damaged by fire, explosion, or any other casualty, the Company shall be entitled to terminate this Fee Agreement.

(b) *Election to Rebuild.* In the event the Project is damaged by fire, explosion, or any other casualty, and if the Company does not elect to terminate this Fee Agreement, the Company may in its sole discretion commence to restore the Project with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Company, subject, always, to the terms of Section 12-44-30(14) of the Act. All such restorations and replacements shall be considered substitutions of the destroyed portions of the Project and shall be considered part of the Project for all purposes hereof, including, but not limited to, any amounts due by the Company to the County under Section 3.1 of this Fee Agreement, which amounts shall be calculated using the original income tax basis for the newly substituted or added property, and the Credit Period shall be extended for the same period needed to restore and replace the Project.

(c) *Election to Remove.* In the event the Company elects not to terminate this Fee Agreement pursuant to subsection (a) of this Section 4.5 and elects not to rebuild pursuant to subsection (b) of this Section 4.5, the damaged portions of the Project shall be treated as Removed Components.

Section 4.6 *Condemnation.*

(a) *Complete Taking.* If at any time during the Fee Term title to or temporary use of the entire Project should become vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation or the right of eminent domain, or by voluntary transfer under threat of such taking, or in the event that title to a portion of the Project shall be taken rendering continued occupancy of the Project commercially infeasible in the judgment of the Company, the Company shall have the option to terminate this Fee Agreement as of the time of vesting of title by sending written notice to the County within a reasonable period of time following such vesting.

(b) *Partial Taking.* In the event of a partial taking of the Project or transfer in lieu thereof, the Company may elect: (i) to terminate this Fee Agreement; (ii) to repair and restore the Project, with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Company, subject, always, to the terms of Section 12-44-30(14) of the Act; or (iii) to treat the portions of the Project taken as Removed Components.

Section 4.7 *Maintenance of Existence.* The Company agrees (i) that it shall not take any action which will materially impair the maintenance of its corporate existence and (ii) that it will maintain its good standing under all applicable provisions of State law. Notwithstanding the foregoing provisions,

the Company may at any time engage on an as needed basis in any corporate restructuring or merger activities, the result of which may be the transfer or assignment of the benefits granted in this Fee Agreement to a new entity, subject always to compliance with the Act and with this Fee Agreement.

Section 4.8 Confidentiality/Limitation on Access to Project. The County acknowledges and understands that the Company utilizes confidential and proprietary "state-of-the-art" manufacturing equipment and techniques and that a disclosure of any information relating to such equipment or techniques, including, but not limited to, disclosures of financial or other information concerning the Company's operations could result in substantial harm to the Company and could thereby have a significant detrimental impact on the Company's employees and also upon the County. Therefore, the County agrees that, except as required by law and pursuant to the County's police powers, neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to receive any confidential or proprietary information; (ii) shall request or be entitled to inspect the Project or any property associated therewith; provided, however, that if an Event of Default has occurred and is continuing, the County shall be entitled to inspect the Project provided they shall comply with the remaining provisions of this Section; or (iii) shall disclose or otherwise divulge any such clearly identified and marked confidential or proprietary information to any other person, firm, governmental body or agency, or any other entity, unless specifically required to do so by State law. Prior to disclosing any confidential or proprietary information or allowing inspections of the Project or any property associated therewith, the Company may require the execution of reasonable, individual, confidentiality, and non-disclosure agreements by any officers, employees or agents of the County, or any supporting or cooperating governmental agencies who would gather, receive, or review such information or conduct or review the results of any inspections.

Section 4.9 Supporting Documentation. Subject to the terms of Section 3.2(b) above, the Company will upon thirty (30) days prior notice provide the County with access to reasonable documentation of the employment at the Company's Project (such as payrolls, quarterly withholding reports, and contracts with third parties providing any labor) as well as reasonable documentation of the investment made at the Project, including that which was made by any Sponsor Affiliate(s), provided that, upon conclusion of the County's review of such documentation at the Project, the County shall not retain, or take with it, any copies of records of information (i) deemed to be confidential by Company; or (ii) that could be subject to disclosure pursuant to a request made by a third party under the South Carolina Freedom of Information Act (Title 30, Chapter 4 of the Code). During the time which the County is performing its review of the supporting documentation at the Project, the Company shall provide to the County sufficient office space at the Company's facility for its representatives to conduct such review.

Section 4.10 Assignment and Subletting. This Fee Agreement may be assigned in whole or in part and the Project may be subleased as a whole or in part by the Company so long as such assignment or sublease is made in compliance with Section 12-44-120 of the Act. The County hereby consents to such transfers to Company Affiliates and to the extent any further consent is requested, the County may grant such consent by adoption of a resolution.

Section 4.11 Leased Equipment. To the extent that applicable law allows or is revised or construed to allow the benefits of the Act, in the form of FILOT Payments as described in Section 3.1 of this Fee Agreement, to be applicable to personal property to be installed in the buildings and leased to but not purchased by the Company from at least one third party, under any form of lease, then that personal property, at the Company's sole election, will become subject to FILOT Payments to the same extent as the Equipment under this Fee Agreement, upon proper application of the law and applicable procedures by the Company. This Fee Agreement is interpreted or modified as appropriate to give proper application to this Fee Agreement to the additional personal property without any amendment to this Fee Agreement; therefore, no action by County Council is required. The County Chairman, or that person holding a substantially similar position, after consulting with the County Attorney, is authorized to make modifications, if any, as may be appropriate to give effect to this Section.

Section 4.12 *Events of Default.* The following shall be "Events of Default" under this Fee Agreement, and the term "Events of Default" shall mean, whenever used with reference to this Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Company to make, upon levy, the FILOT Payments described in Section 3.1 of this Fee Agreement within sixty (60) days of written notice that such FILOT Payment is past due and that the County will terminate the FILOT if such FILOT Payment is not tendered within said 60 days; provided, however, that the Company shall be entitled to all redemption rights granted by applicable statutes; and further provided that in the event that the Company tenders such FILOT Payment within ten (10) business days of the County's notice to the Company that it has terminated the FILOT, then the County's termination of the FILOT shall be deemed null and void.

(b) Failure by the Company substantially to perform any of the other material terms, conditions, obligations, or covenants of the Company, including those set forth in Section 2.2, (but excluding failure to meet any and all job creation or investment obligations), which failure shall continue for a period of ninety (90) days after written notice from the County to the Company specifying such failure and requesting that it be remedied, unless the County shall agree in writing to an extension of such time prior to its expiration, provided however, that in the event that the Company cures such default within twenty (20) business days of the County's notice to the Company that it has terminated the FILOT, then the County's termination of the FILOT shall be deemed null and void.

(c) Failure by the Company to meet any of the investment or job creation obligations set forth in this Fee Agreement, provided the sole remedies for a default under this subsection must be as set forth in Sections 3.1(d), 3.2(c) and 3.2(d) of this Fee Agreement.

(d) Failure by the County substantially to perform any of the material terms, conditions, obligations, or covenants of the County hereunder, which failure shall continue for a period of ninety (90) days after written notice from the Company to the County specifying such failure and requesting that it be remedied, unless the Company shall agree in writing to an extension of such time prior to its expiration.

Section 4.13 *Remedies on Default.* Whenever any Event of Default shall have occurred and shall be continuing, the non-defaulting party, after having given written notice to the defaulting party of such default and after the expiration of the Cure Period, shall have the option to take any one or more of the following remedial actions:

(a) For the Company's Event of Default, the County may:

- (i) terminate this Fee Agreement;
- (ii) take whatever action at law or in equity that may appear legally required, necessary or desirable to collect the amounts due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Company under this Fee Agreement; or
- (iii) with respect to an Event of Default resulting from a failure to meet or maintain any of the Company's investment or job creation obligations pursuant to Section 3.1, the sole remedy of the County shall be the applicable reimbursement provisions as further set forth in Sections 3.1 and 3.2 of this Fee Agreement.

(b) For the County's Event of Default, the Company may take whatever action at law or in equity that may appear legally required, necessary, or desirable to enforce the performance and observance of any obligation, agreement, or covenant of the County under this Fee Agreement.

Section 4.14 *Remedies Not Exclusive.* Except as provided in Sections 3.1(d), 3.2(c) and 3.2(d) of this Fee Agreement, above, no remedy conferred upon or reserved to the County under this Fee Agreement is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other lawful remedy now or hereafter existing. No delay or omission to exercise any right or power accruing upon any continuing default

hereunder 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 from time to time and as often as may be deemed expedient. In order to entitle the County to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be herein expressly required and such notice required at law or equity which the Company is not competent to waive.

Section 4.15 Future Filings. As permitted under Section 12-44-55 of the Act, the Company and County hereby waive application of any of the recapitulation requirements as set forth in Section 12-44-55, so long as and to the extent that the Company timely makes all filings required by the Act and provides copies of all such filings to the County Chairman, Clerk to Council, County Auditor and County Treasurer within thirty (30) days of making such filings.

Section 4.16 Fiscal Year; Property Tax Year. If the Company's fiscal year changes so as to cause a change in the Company's property tax year, then the timing of the requirements of this Fee Agreement are automatically revised accordingly.

ARTICLE V MISCELLANEOUS

Section 5.1 Notices. Any notice, election, demand, request, or other communication to be provided under this Fee Agreement shall be effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms of this Fee Agreement require receipt rather than sending of any notice, in which case such provision shall control:

AS TO THE COUNTY:

R. Carlisle Roddey
County Supervisor
Chester County
P.O. Box 580
Chester, South Carolina 29706
Telephone: 803.385.5133

WITH A COPY TO:

Joan Elizabeth Winters
Winters Law Firm
105 Main Street
Chester, South Carolina 29706
Telephone: 803.581.8190

AS TO COMPANY:

Sylvia Soerijadi
Giti Tire Holdings (USA) Ltd.
936 Market Street, Suite 301
Fort Mill, South Carolina 29708
Telephone: 803-675-1288

WITH A COPY TO:

Ray E. Jones
Parker Poe Adams & Bernstein LLP
1201 Main Street, Suite 1450
Columbia, South Carolina 29201
Telephone: 803.253.8917

Section 5.2 *Binding Effect.* This Fee Agreement shall be binding, in accordance with its terms, upon and inure to the benefit of the Company and the County, and their respective successors and assigns. In the event of the dissolution of the County or the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations, promises and agreements of this Fee Agreement shall bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency, or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 5.3 *Counterparts.* This Fee Agreement may be executed in any number of counterparts, in original, by facsimile or by other electronic means, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 5.4 *Governing Law.* This Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State.

Section 5.5 *Headings.* The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

Section 5.6 *Amendments.* The provisions of this Fee Agreement may only be modified or amended in writing by an agreement or agreements entered into between Parties.

Section 5.7 *Further Assurance.* From time to time, the County and the Company agree to execute and deliver to the other such additional instruments as either may reasonably request to effectuate the purposes of this Fee Agreement.

Section 5.8 *Severability.* If any provision of this Fee Agreement is declared illegal, invalid or unenforceable for any reason, the remaining provisions of this Fee Agreement shall be unimpaired, and such illegal, invalid, or unenforceable provision shall be reformed so as to most closely effectuate the legal, valid, and enforceable intent thereof and so as to afford the Company with the maximum benefits to be derived from this Fee Agreement, it being the intention of the County to offer the Company a strong inducement to locate the Project in the County.

Section 5.9 *Limited Obligation.* ANY OBLIGATION OF THE COUNTY CREATED BY OR ARISING OUT OF THIS FEE AGREEMENT SHALL BE A LIMITED OBLIGATION OF THE COUNTY, PAYABLE BY THE COUNTY SOLELY FROM THE PROCEEDS DERIVED UNDER THIS FEE AGREEMENT AND SHALL NOT UNDER ANY CIRCUMSTANCES BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR A CHARGE AGAINST THE COUNTY'S TAXING POWER.

Section 5.10 *Force Majeure.* The Company shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, economic downturns affecting the U.S. tire manufacturing industry and any other cause, similar or dissimilar, beyond the Company's reasonable control.

Section 5.11 *County Expenses.* The Company shall reimburse the County for its actual reasonable and necessary expenses, including, reasonable and necessary attorneys' fees, related to the preparation, review, and negotiation of the Transaction Documents and other acts and actions related to the Transaction Documents authorized by the Company, in an amount not to exceed \$15,000, provided, that the Company is not required to reimburse the County for any: (1) expenses incurred by the County in the ordinary course of its operation, including with respect to tax- and fee-payers; or (2) expenses

incurred by the County in defending suits brought by the Company based on a default by the County under the Transaction Documents.

Section 5.12 Execution Disclaimer. Notwithstanding any other provision, the County is executing as statutory accommodation to assist the Company in achieving the intended benefits and purposes of the Act. The County has made no independent legal or factual investigation regarding the particulars of this transaction and it executes in reliance upon representations by the Company that this document complies with all laws and regulations, particularly those pertinent to economic development projects in South Carolina.

Section 5.13 Indemnification Covenants.

(a) The Company shall and agrees to hold the County and its County Council members, officers, agents, and employees harmless from all pecuniary liability and to reimburse them for all reasonable expenses to which any of them might be subject due to the Company's negligence or willful misconduct.

(b) Notwithstanding the fact that it is the intention of the parties that neither the County nor any of its members, officers, agents and employees shall incur any pecuniary liability to any third party (i) by reason of the terms of this Fee Agreement or the undertakings of the County required by this Fee Agreement, or (ii) by reason of the performance of any act in connection with the entering into and performance of the transactions described in the Transaction Documents, if the County or any of its members, officers, agents or employees should incur, or be notified that it might incur, any such pecuniary liability, then, in that event the Company shall indemnify and hold harmless the County and its members, officers, agents and employees against all pecuniary claims by or on behalf of any person, firm or Company, arising out of the Company's negligence and willful misconduct, and all costs and expenses incurred in connection with any such claim, and upon notice from the County, provided that in all cases the Company shall have the right, to appear at such action or proceeding and to defend the County and its officers, agents and employees in any such action or proceeding, provided that the County, in its sole discretion and costs, shall have the right to its own counsel, in addition to any defense provided by the Company, at its own expense.

(c) Notwithstanding the foregoing, the Company shall not be obligated to indemnify the County or any of its individual members, officers, agents, and employees for expenses, claims, losses, or damages arising from the intentional or willful misconduct or negligence of the County or any of its individual officers, agents or employees.

Section 5.14 Company Option to Terminate. Without limiting any other right the County may have under this Agreement or applicable law, at any time, and from time to time, upon at least 30-days' notice (including, without limitation, any time during which there may be subsisting an Event of Default), the Company may terminate this Fee Agreement with respect to the entire Project or any portion thereof. Upon termination of: (a) all, or (b) part, which will be treated as a removal of property according to Section 4.4, of this Fee Agreement, the Company will become liable, prospectively but not retroactively (except as otherwise provided in Section 3.2) for *ad valorem* property taxes on the Project or such portion thereof as is so terminated from inclusion in the Project, as well as for amounts already due and owing under this Fee Agreement, which latter amounts, if any, shall be paid to the County at the earlier of: (a) the next installment of FILOT Payments pursuant to Section 3.1 of this Fee Agreement and (b) no more than 120 days of termination.


Section 5.15 Rollback Tax. The County acknowledges and agrees that the Real Property qualifying as Economic Development Property shall be exempt from all rollback taxes as provided under Section 12-43-220(d)(6) of the Code, beginning when such property is placed in service. Prior to the Project being placed in service, the County hereby agrees that all of the Real Property shall continue to

qualify for a four percent assessment under Section 12-43-220(d) of the Code and shall continue to be valued at the current fair market value for agricultural purposes. The Company acknowledges that upon its taking ownership of the Real Property it shall be required make a written application to the County Assessor, as required under Section 12-43-220(d)(3) of the Code. The County Assessor shall accept and approve such application and continue to maintain the Real Property in the agricultural classification provided under Section 12-43-220(d) of the Code until such time as the Project is placed in service. As a result, no rollback tax will be due on the Project either before or after the Project is placed in service.

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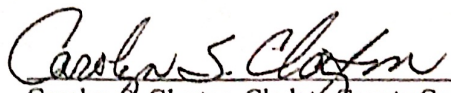
IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and on its behalf by the Chairman of County Council and to be attested by the Clerk to County Council, effective as of the day and year first above written.

CHESTER COUNTY, SOUTH CAROLINA



R. Carlisle Roddey, Chairman
Chester County Council

(SEAL)
ATTEST:



Carolyn S. Clayton, Clerk to County Council
Chester County Council

IN WITNESS WHEREOF, the Company, acting by and through its duly authorized representative(s), has caused this Fee Agreement to be executed in its name and on its behalf, effective as of the day and year first above written.

Giti Tire Holdings (USA) Ltd.


By: 
Name: Sylvia Scemadi
Title: company secretary

Exhibit A
[FORM OF]

JOINDER OF FILOT AGREEMENT

Reference is hereby made to (i) that certain Fee Agreement dated as of June 16, 2014 ("Fee Agreement") between Chester County, South Carolina ("County"), and Giti Tire Holdings (USA) Ltd. ("Company").

1. Joinder to Fee Agreement.

The undersigned hereby (a) joins as a party to, and agrees to be bound by and subject to all of the terms and conditions of, the Fee Agreement with respect to the undersigned's property; and (b) acknowledges and agrees that (i) the undersigned has been designated as a Sponsor Affiliate by the Company for purposes of the Project and, if the Sponsor Affiliate is not a Company Affiliate, such designation has been consented to by the County pursuant to a Resolution adopted []; (ii) the undersigned qualifies or will qualify as a Sponsor Affiliate under the Fee Agreement and Section 12-44-30(A)(19) or (20) and Section 12-44-130 of the Act; and (iii) the undersigned shall have all of the rights and obligations of a Sponsor Affiliate as set forth in the Fee Agreement with respect to the undersigned's property.

2. Notices. For purposes of Section 5.1 (Notices) of the Fee Agreement, the undersigned's notice information shall be as follows: [notice address and contact office/person to be provided]

3. Capitalized Terms.

All capitalized terms used but not defined in this Joinder Agreement shall have the meanings set forth in the Fee Agreement.

4. Governing Law.

This Joinder Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to principles of choice of law.

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

Date

Name of Entity

By: _____

Name: _____

Its: _____

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

Date

Giti Tire Holdings (USA) Ltd.

By: _____

Name: _____

Its: _____

ACKNOWLEDGEMENT TO JOINDER OF PILOT AGREEMENT

Chester County, South Carolina

Date

By: _____

Name: _____

Its: Supervisor

ATTEST:

Clerk to Council

Exhibit B
[FORM OF]

ANNUAL CREDIT CERTIFICATION

Reference is made to that certain Fee Agreement dated as of June 16, 2014 ("Agreement"), by and between Chester County, South Carolina ("County") and Giti Tire Holdings (USA) Ltd. ("Company"). Each capitalized term not defined herein has the meaning ascribed thereto in the Agreement. Company shall in each respective tax year submit this Certification to the County Supervisor and County Auditor of Chester County, South Carolina.

As set forth in Section 3.2 of the Agreement, the County has agreed to provide Special Source Revenue Credits against FILOT Payments (or portion thereof) made by the Company attributable to certain stages of the Project. In accordance with the terms of the Agreement, the undersigned authorized agent of the Company certifies to the best of his/her knowledge to Items 1 through 4 as follows:

1. The Company has received the following Department of Revenue assessment notices from the County Auditor dated _____, ____.

2. For current tax year _____, Special Source Revenue Credits are claimed by the Company against FILOT Payments due for Tax Year _____ for the Project in the following percentages:

3. Based on the information provided in the Copy of Assessment, the Company is entitled to Special Source Revenue Credits in the amounts set forth below:

4. The County Auditor shall now provide to the County a tax bill(s) for tax year _____ reflecting the amount net of the Special Source Revenue Credits set forth in this Certificate.

I have executed this Certificate as of _____, _____.

Giti Tire Holdings (USA) Ltd.

By: _____
Name: _____
Its: _____
Date: _____

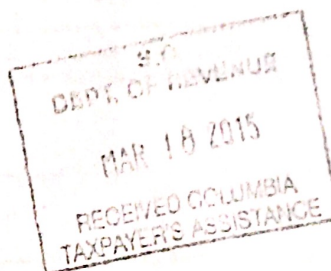


Sandra K. Riddle
Paralegal
Telephone: 803.253.8648
Direct Fax: 803.255.8017
sandyriddle@parkerpoe.com

Charleston, SC
Charlotte, NC
Columbia, SC
Raleigh, NC
Spartanburg, SC

March 18, 2015

Via Hand Delivery
Michelle Mishoe
Manufacturing Supervisor/PILOT Advisor
South Carolina Department of Revenue
300-B Outlet Pointe Boulevard
Columbia, South Carolina 29210



**Re: Giti Tire Holdings (USA) Ltd.
Fee-in-Lieu of Ad Valorem Taxes Agreement dated as of June 16, 2014**

Dear Ms. Mishoe:

Giti Tire Holdings (USA) Ltd. ("Giti") and Chester County, South Carolina ("Chester") entered into a Fee-In-Lieu of Ad Valorem Taxes and Incentive Agreement, dated as of August 18, 2014 ("Fee Agreement"). Giti is submitting the enclosed PT-443 to notify the Department of Revenue of the fee arrangement between Chester and Giti.

Enclosed, please find the following documents relating to the Fee Agreement:

1. PT-443, dated December March 18, 2015;
2. Chester County Resolution;
3. Chester County Ordinance No.06-16-14; and
4. Executed Fee Agreement.

If you have any questions or need additional information, please do not hesitate to contact us.

Sincerely yours

Sandra K. Riddle

Encls

cc w/encls: (via U.S. Mail)

Ellis Faulkner, Chester County Assessor
Donnie A. Wade, Chester County Auditor ✓
Tommy Darby, Chester County Treasurer

1350



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
FEE IN LIEU OF PROPERTY TAX
INITIAL REPORT FORM

PT-443
(Rev. 3/12/08)
7071

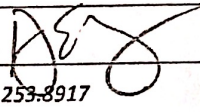
INITIAL REPORT (to be filed within 30 days of execution of a fee agreement or an inducement agreement)

1. Legal Name of Investor (Include information about each party investing in the Fee, if more than one investor, and how they qualify under the fee statutes.)	1) <i>Giti Tire Holdings (USA) Ltd.</i> 2) 3)		
2. Federal Employer ID	1) <i>46-5742204</i>	2)	3)
3. Business (Check all that apply if more than one investor and supply an explanation.)	<input type="checkbox"/> Sole Proprietor <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> LLC Corporation - State of incorporation: <u>DE</u>		
4. Principal Business Mailing Address	Street/POB <i>936 Market Street, Suite 301</i> City, State, <i>Fort Mill, SC 29708-6565</i> 9 Digit Zip Code		
5. Physical Location of Project	Street Address: City/State/Zip		
6. County or Counties	<i>Chester County</i>		
7. Minimum Investment agreed upon	<i>\$500,000,000</i>		
8. Is the project in a multicounty park?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please identify:		(See SC Code § 4-1-170)
9. Contact Person for Investor(s)	<i>Sylvia Soerijadi, Chief Financial Officer</i>		
10. Telephone	Voice: <i>(909)527-8828</i>	Fax: ()	
11. Taxpayer's Legal Counsel for FILOT	<i>Parker Poe Adams & Bernstein LLP</i> <i>Ray Jones</i>	Telephone: <i>(803)255-8000</i> Fax: <i>(803)255-8917</i>	
12. Nature of Business	<i>Tire manufacturing</i>	SIC Code:	
13. Accounting Closing Date Used for Income Tax Purposes	<i>December 31</i>		
14. Type of Operation	<input checked="" type="checkbox"/> Manufacturer (include product manufactured) <input checked="" type="checkbox"/> Research & Development <input type="checkbox"/> Office Facility <input checked="" type="checkbox"/> Distribution Facility <input type="checkbox"/> Corporate Headquarters <input type="checkbox"/> Other (describe):		
15. Date of Fee Agreement (Simplified Fee) or Date of Inducement Agreement (Big or Little Fee):	<i>June 16, 2014</i>		
16. Type of Fee	<input type="checkbox"/> §4-12-30 ("Little Fee") <input type="checkbox"/> §4-29-67("Big Fee") <input checked="" type="checkbox"/> Chapter 44, Title 12 ("Simplified Fee") Check if applicable: <input checked="" type="checkbox"/> Super/enhanced fee <input type="checkbox"/> \$1 million+fee		
17. Property to be Included Under the Fee:	<input checked="" type="checkbox"/> Land <input checked="" type="checkbox"/> Buildings <input type="checkbox"/> Building Additions <input checked="" type="checkbox"/> Personal Property (If available, attach survey of real property covered by the Fee)		
18. Initial Negotiated Assessment Ratio	<i>4%</i>	<input checked="" type="checkbox"/> Fixed <input type="checkbox"/> Variable	Agreement page, para. §. <i>3.1(b)</i>
19. If variable, state the different rates and the years for which they are applicable.			

70711015

20.	Initial Negotiated Millage Rate	373.8	<input checked="" type="checkbox"/> Fixed <input type="checkbox"/> Variable	Agreement page, para. §: 3.1(b)
21.	Explanation, if necessary			
22.	Calendar Year of Anticipated Initial Investments	2015	Agreement page, para. §: N/A	
23.	Length of Fee (Number of Years)	50	Agreement page, para. § 3.1(b)	
24.	Payment Structure	<input checked="" type="checkbox"/> Regular Payments <input type="checkbox"/> Equal Payments <input type="checkbox"/> 5 Year Millage Adjustment Agreement page, para. §: 3.1 <input type="checkbox"/> Other (explain):		
25.	Discount Rate Used for net present value purposes	<input type="checkbox"/> _____ % <input checked="" type="checkbox"/> Not Applicable Agreement page, para. §:		
26.	Does Agreement Allow For	Disposal of Property? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Replacement of Property? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Agreement page, para. § ¶ 13 § 4.1 and 4.4
27.	Min. No. of Jobs Required (if applicable)	1,316	<input type="checkbox"/> Not Applicable	Agreement page, para. § ¶ 4 § 1.1
28.	Any additional information, allowances, or restrictions of which one must be aware to calculate or verify the fee under this agreement:			
	Agreement page, para. §:			
	Agreement page, para. §:			
	Agreement page, para. §:			

I declare that this return, to the best of my knowledge and belief, is true, correct, and complete.

Prepared by (please print):	Ray E. Jones	Title:	Attorney
Signature:		Date:	March 18, 2015
Telephone #:	803.253-8917		
E-mail Address:	rayjones@parker.com		

Attachments: .

- Fully executed fee agreement or inducement agreement
- Survey of real property under the fee (if available)
- Inducement Resolution or other project identification.
- Millage rate agreement (if applicable)
- Any other attachments needed to respond to the questions.

The investor will need to file a supplemental form (form to be determined by the Department of Revenue) at the time that the investor executes the lease agreement and/or places the property in service in this State.

STATE OF SOUTH CAROLINA)
) A RESOLUTION OF
CHESTER COUNTY) CHESTER COUNTY, SOUTH CAROLINA
)

IDENTIFYING A PROJECT TO SATISFY THE REQUIREMENTS OF SOUTH CAROLINA CODE ANNOTATED SECTION 12-44-40, TO ALLOW INVESTMENT EXPENDITURES INCURRED BY A COMPANY KNOWN TO THE COUNTY AS PROJECT SUMMER (INCLUDING ITS AFFILIATED AND RELATED ENTITIES) TO QUALIFY AS EXPENDITURES ELIGIBLE FOR A FEE-IN-LIEU OF TAXES ARRANGEMENT WITH CHESTER COUNTY, SOUTH CAROLINA; AND TO COMMIT TO ENTER INTO NECESSARY AGREEMENTS WITH THE COMPANY TO EFFECT THE INTENT OF THIS RESOLUTION; AND OTHER RELATED MATTERS.

572
DEPT. OF REVENUE
MAR 18 2015
RECEIVED COLUMBIA
TAXPAYER ASSISTANCE

WHEREAS, Chester County, South Carolina ("County"), acting by and through its County Council ("County Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 Code of Laws of South Carolina, 1976, as amended ("FILOT Act"), to enter into agreements with qualifying industry whereby the industry would pay fees-in-lieu-of taxes ("FILOT") with respect to qualified projects through which the development of the State of South Carolina ("State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain in the State and thus utilize and employ the manpower, 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 is negotiating an investment in the County by a company known to the County as Project Summer, including affiliated and related entities ("Company"), consisting of approximately \$560,000,000 in expenditures to design, acquire, construct and equip a manufacturing facility in the County and the creation of approximately 1500 new jobs ("Project");

WHEREAS, to induce the Company to locate the Project in the County, the County desires and has committed to offer certain incentives to the Company, including a FILOT incentive and a special source revenue credit incentive, the specific terms of which will be prescribed by a subsequent ordinance of the County and set forth more fully in an agreement between the County and the Company.

NOW, THEREFORE, BE IT RESOLVED by County Council that:

Section 1. Based on information supplied by the Company, the County finds the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; that 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; that the purposes to be accomplished by the Project, *i.e.*, economic development, job creation, and addition to the tax base of the County, are proper governmental and public purposes; that the inducement of the location of the Project within the County and State is of paramount importance; and that the benefits of the Project will be greater than the costs; and

Section 2. Based on information supplied by the Company, the County finds that the Project would be a "project" and "economic development property" as those terms are defined in the FILOT Act and that the Project would serve the purposes of the FILOT Act.

Section 3. The County hereby identifies the Project, which action is intended to satisfy the requirements of Section 12-44-40 of the FILOT Act.

Section 4. The County commits to offer certain incentives to the Company including entering into a FILOT agreement with the Company by which the County will provide a FILOT incentive to the Company and the Company will make FILOT payments with respect to the Project.

Section 5. The County Supervisor, for the County, is authorized to enter and execute whatever documents and take whatever actions the County Supervisor deems appropriate to implement this Resolution.

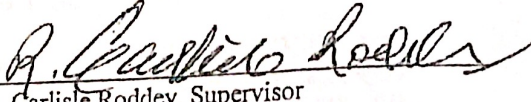
Section 6. This Resolution is subject to the provisions of the FILOT Act and to final approval by the County through adoption of one or more ordinances.

Section 7. Each part of an order, resolution, or executive directive in conflict with this Resolution is, to the extent of that conflict, repealed. This Resolution is effective remains in full force from and after its passage by the County Council.

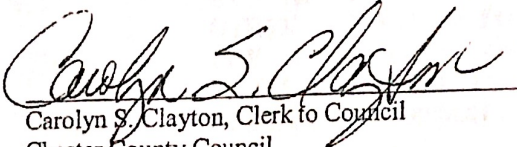
[SIGNATURE PAGE FOLLOWS]
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ADOPTED: MAY 5, 2014.

CHESTER COUNTY, SOUTH CAROLINA


R. Carlisle Roddey, Supervisor
Chester County Council

(SEAL)
ATTEST:


Carolyn S. Clayton, Clerk to Council
Chester County Council

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR CHESTER COUNTY
ORDINANCE NO. 06-16-14

AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF *AD VALOREM* TAXES AGREEMENT BETWEEN CHESTER COUNTY, SOUTH CAROLINA, AND GITI TIRE HOLDINGS (USA) LTD.; THE TRANSFER OF REAL PROPERTY LOCATED IN CHESTER COUNTY, SOUTH CAROLINA, TO GITI TIRE HOLDINGS (USA) LTD. AND THE PROVISION OF OTHER INCENTIVES FOR GITI TIRE HOLDINGS (USA) LTD.; THE EXECUTION AND DELIVERY OF DOCUMENTS NECESSARY TO EFFECT THIS ORDINANCE'S INTENT; AND OTHER RELATED MATTERS.

RECEIVED COLLENSIA
MAR 18 2015
COUNTY CLERK

WHEREAS, Chester County, South Carolina ("County"), acting through its County Council ("County Council") is authorized, pursuant to South Carolina Code Annotated Title 12, Chapter 44 ("FILOT Act"), (i) to enter agreements with qualifying industry to encourage investment in projects constituting economic development property through which the industrial development of the State of South Carolina ("State") is promoted by inducing new and existing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ manpower and other resources of the State; and (ii) to covenant with that industry to accept negotiated fee payments in lieu of *ad valorem* taxes with respect to each investment;

WHEREAS, pursuant to South Carolina Code Annotated Title 4, Chapter 1, Section 170, Title 4, Chapter 1, Section 175, and Title 4, Chapter 29, Section 68 (collectively, "MCIP Act"), the County is authorized to (i) create multi-county industrial parks in partnership with contiguous counties; (ii) include the property of eligible companies within such parks as an inducement to locate within the County, which inclusion under the terms of Section 13 of Article VIII of the Constitution of the State of South Carolina makes such property exempt from *ad valorem* property taxes, therefore changing the character of the annual receipts from such properties from *ad valorem* property taxes to fees-in-lieu of *ad valorem* property taxes; and (iii) grant an annual tax credit against such fee-in-lieu of tax receipts in order to assist a company in paying the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the property of any company located within such multi-county industrial parks or for improved or unimproved real estate used in the operation of a commercial enterprise located within such multi-county parks in order to enhance the economic development of the County;

WHEREAS, under the authority provided in the MCIP Act, effective December 31, 2012, the County and York County, South Carolina, jointly developed the York-Chester Industrial Park ("Park") and entered an agreement entitled "Master Agreement Governing the York-Chester Industrial Park" ("MCIP Agreement"), to govern the operation of the Park;

WHEREAS, Giti Tire Holdings (USA) Ltd., consisting of one or more entities, authorized to conduct and conducting or intending to conduct business in South Carolina (collectively, "Company"), is (i) contemplating an investment that would qualify as an enhanced investment, as defined in the FILOT Act, to acquire or construct, or both, a manufacturing facility in the County, and (ii) creating new, full-time jobs in the County (collectively, (i) and (ii), "Project");

WHEREAS, the County has identified the Project as a "project" under the FILOT Act by Resolution adopted May 5, 2014, and intends this Ordinance to serve as confirmation of the identification of the project as economic development property, as described in and required by the FILOT Act;

WHEREAS, the County has determined to offer the Company incentives under the FILOT Act and the MCIP Act, all as more fully described in the form of the fee agreement attached as Exhibit A ("Fee Agreement");

WHEREAS, as a part of the incentives the County has determined to expand the Park boundaries and by separate ordinance will include the Project in the Park;

WHEREAS, to the extent the County receives any third-party grant funds related to the Project, the County intends to accept and administer those funds for the Project's benefit; and

WHEREAS, to the extent the County acquires, or contracts for the acquisition of, any real property for the Project's benefit, the County intends to transfer that real property, or transfer the County's right to acquire that real property, to the Company.

NOW THEREFORE, BE IT ORDAINED, by the County Council:

Section 1. Statutory Findings. The County declares the facts set forth in the recitals to this Ordinance are, to the best of the County's knowledge, true and correct in all respects. The County further finds, determines, and declares, based on information the Company provided, as follows:

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

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

(c) the purposes to be accomplished by the Project, including, without limitation, economic development, jobs creation, and expansion of the County's tax base, are proper governmental and public purposes and the benefits of the Project are greater than the costs.

Section 2. Approval of Fee Agreement. The Fee Agreement is approved as follows:

(a) The form, terms, and provisions of the Fee Agreement presented to this meeting and filed with the Clerk to County Council ("Clerk") are approved and all of the terms, provisions, and conditions of the Fee Agreement are incorporated by reference;

(b) The Fee Agreement to be executed on behalf of the County shall be in substantially the form now before the County Council and shall include only changes that are approved by the County officials executing the Fee Agreement. The County officials shall consult the attorney for the County ("County Attorney") with respect to any changes to the Fee Agreement. The execution of the Fee Agreement by County officials shall constitute conclusive evidence that they have approved all changes to or revisions of the Fee Agreement now before this meeting; and

(c) If under the Fee Agreement or the Act any related documents or any future actions of the Company (including, without limitation, the supplementation of the exhibits thereto and/or any assignments of the Project) require the approval of the County, such approval can be given on behalf of the County by the Supervisor upon affirmative resolution of the County Council to the extent permitted by law. The County officials shall consult the County Attorney with respect to such approval. The execution of a written approval by County officials shall constitute conclusive evidence that the County has approved the respective actions of the Company.

Section 3. Grant Acceptance and Administration. To the extent the County receives any third-party

grant funds related to the Project, the County agrees to accept and administer those funds for the Project's benefit according to any documents governing the receipt and expenditure of the grant funds.

Section 4. Real Property Transfer. To the extent the County acquires, or contracts for the acquisition of, any real property for the Project's benefit, the County is authorized to transfer that real property, or transfer the County's right to acquire that real property, to the Company.

Section 5. Authorization to Execute and Deliver Fee Agreement. The County Supervisor (and his designees) is authorized and directed, in the name of and on behalf of the County, to execute and deliver the Fee Agreement, and to take further actions and execute and deliver further documents as the County Supervisor (and his designees) deems reasonably necessary and prudent to effect this Ordinance's intent. The Clerk to County Council is authorized and directed to attest to the Fee Agreement and any further documents as the County Supervisor (and his designees) deems reasonably necessary and prudent to effect this Ordinance's intent.

Section 6. Payment Application. Pursuant to Section 3.03(b) of the Agreement, the County has determined to retain 100% of each payment of fee in lieu of taxes due under the Fee Agreement (each, "FILOT Payment"), net of any portion due either: (i) a partner county, or (ii) the Company as an infrastructure credit pursuant to the Fee Agreement (each, "Net FILOT Payment"). The County shall deposit [to be determined for third reading/public hearing] of each Net FILOT Payment with the Trustee, as defined in the County's Trust Agreement, dated April 10, 2012, as contemplated for similar payments under the County's Installment Purchase and Use Agreement, dated April 10, 2012 ("IPUA"), for the purpose of (i) making the Base Payment, as defined in the IPUA, due in that fiscal year and (ii) prepaying the Installment Payments, as defined in and according to the IPUA. The County Supervisor is authorized, in the name of and on behalf of the County, to execute an amendment to the IPUA to reflect the pledge of each Net FILOT Payment as contemplated by this Ordinance.

Section 7. Further Assurances. The County Supervisor is authorized, in the name of and on behalf of, the County to take such further actions and execute whatever documents the County Supervisor deems appropriate to effect the transactions and incentives described in this Ordinance.

Section 8. General Repealer. Any prior ordinance, resolution or order, the terms of which are in conflict with this Ordinance, is, only to the extent of that conflict, repealed.

Section 9. Effective Date. This Ordinance is effective after its third reading and public hearing.

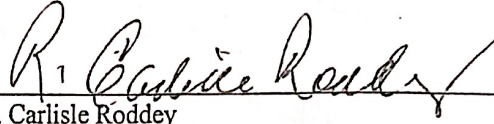
EXHIBIT A

FORM OF FEE AGREEMENT

[TO BE UPDATED FOR THIRD READING/PUBLIC HEARING]

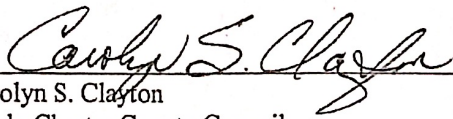
This Ordinance takes effect and is in full force only after the County Council has approved it following three readings and a public hearing.

CHESTER COUNTY, SOUTH CAROLINA



R. Carlisle Roddey
Chairman/Supervisor, Chester County Council

(SEAL)
ATTEST:



Carolyn S. Clayton
Clerk, Chester County Council

READINGS:

First Reading:	May 5, 2014
Second Reading:	May 19, 2014
Public Hearing:	June 13, 2014
Third Reading:	June 16, 2014