

**INDUCEMENT AGREEMENT
AND MILLAGE RATE AGREEMENT**

THIS INDUCEMENT AGREEMENT made and entered into by and between Greenville County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (jointly hereinafter the "County") and IKE II (the "Company").

WITNESSETH:

ARTICLE I.

RECITATION OF FACTS

Section 1.1. As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

- (a) The County is authorized and empowered by the provisions of Title 4, Chapter 1, Title 4, Chapter 29 and Title 12, Chapter 44 Code of Laws of South Carolina, 1976, as amended (collectively the "Act") to acquire, enlarge, improve, expand, equip, furnish, own, lease, and dispose of properties through which the industrial development of the State of South Carolina will be promoted and trade developed by inducing new industries to locate in the State and by encouraging industries now located in the State to expand their investments and thus utilize and employ manpower and other 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.
- (b) The Company is considering the acquisition or expansion by construction, purchase or lease of land, building(s), equipment, personal property and facilities in connection with the expansion of the Company's manufacturing facility (the "Project") in the County. The Project will involve a non-exempt investment of at least Ninety Million Dollars (\$90,000,000) (the "Minimum Investment") during the investment period, as defined in the Act (the "Investment Period"), which level of investment will be maintained for not less than twelve (12) years, with a non-exempt investment level of not less than Seventy Million Dollars (\$70,000,000) to be maintained for the remaining term of the Fee Agreement (as defined below).
- (d) The Company has requested that all economic development property, as defined in the Act, in the Project be placed in a fee in lieu of tax agreement (the "Fee Agreement") between the Company and the County pursuant to Section 12-44-10, et. seq. of the Act.
- (e) The site of the Project is currently located in the joint county industrial and business park established by Anderson County and the County pursuant to agreement dated October

6, 1998, as amended (the "Park Agreement").

(f) In order to assist the Company in providing infrastructure (as defined in the Act) in connection with the Project, the Company has further requested the County to provide an infrastructure tax credit (the "ITC") against payments in lieu of taxes pursuant to Sections 4-1-175 and 12-44-70 of the Act to reimburse the Company for its investment in qualified infrastructure with respect to the Project within the meaning of Section 4-29-68 of the Act (the "Project Infrastructure"). The ITC shall be in an annual amount equal to forty percent (40%) of the payments in lieu of taxes allocated to the Park Agreement from the first twelve (12) years of fee in lieu of tax payments on the Project and are based on the Company's achieving the Minimum Investment within the Investment Period. In the event the Company fails to meet the Minimum Investment within the Investment Period, it shall be obligated to repay to the County all ITC's previously received. The aggregate ITC's received by the Company shall never exceed, at any point in time, the actual cost of Project Infrastructure to that point. The ITC will be payable exclusively from payments in lieu of taxes which the County receives and retains from the Company for the Project in the Park under the Fee Agreement. The ITC shall not constitute a general obligation or indebtedness of the County nor a pledge of the full faith and credit or the taxing power of the County. Provided, for so long as the Fee Agreement remains in full force and effect, the ITC shall be paid solely by setoff by the Company against fee in lieu of tax payments due under the Fee Agreement.

(g) The County has given due consideration to the economic development impact of the Project, and, based on information supplied by the Company, has found that the Project and the payments in lieu of ad valorem taxes set forth herein are beneficial to the Project and that the Project would benefit the general public welfare of the County by providing service, employment, recreation or other public benefits not otherwise provided locally; and, that the Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either; and, that the purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes and that the inducement of the location or expansion 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, has agreed to effect the issuance and delivery of this Agreement, pursuant to the Act, and on the terms and conditions hereafter set forth.

ARTICLE II

UNDERTAKINGS ON THE PART OF THE COUNTY

Subject in all events to the provisions of Section 4.1 hereof, the County agrees as follows:

Section 2.1. The Project will be constructed or installed by the Company on the sites now owned or hereafter acquired by the Company and will involve a capital expenditure of not less than \$90,000,000.

Section 2.2. The Fee Agreement and the ITC will be issued at such times and upon such acceptable terms to the County as the Company shall request subject to Section 4.2 herein.

Section 2.3. The terms and provisions of the Fee Agreement shall be substantially in the form generally utilized in connection with the Act and as agreed upon by the County and the Company. The amendment to the Fee Agreement and the ITC shall contain, in substance, the following provisions:

(a) The term of the Fee Agreement will be twenty (20) years with respect to each year of investment in the Project during the Investment Period.

(b) The Company will maintain the Project and will (i) keep the Project insured against loss or damage or perils generally insured against by industries or businesses similar to the Company and will carry public liability insurance covering personal injury, death or property damage with respect to the Project; or (ii) self-insure with respect to such risks in the same manner as it does with respect to similar property owned by the Company; or (iii) maintain a combination of insurance coverage and self-insurance as to such risks.

(c) The Fee Agreement shall provide that, in the performance of the agreements contained therein on the part of the County, any obligations the County may incur for the payment of money shall not create a pecuniary liability of the County nor create a general obligation on its part or by the State of South Carolina or any incorporated municipality, but shall be payable solely from the payments received under such Fee Agreement or the proceeds of the Project in the Park and, under certain circumstances, insurance proceeds and condemnation awards.

(d) The Fee Agreement shall contain agreements providing for the indemnification of the County and the individual County Council members and County officers, agents and employees thereof for all expenses incurred by them and for any claim of loss suffered or damaged to property or any injury or death of any person occurring in connection with the planning, design, acquisition, construction and carrying out of the Project, including environmental indemnity.

(e) The Fee Agreement shall contain a provision requiring the Company to make payments in lieu of taxes. Pursuant to the Act, such payments shall continue for a period of up to twenty (20) years from the date of the Fee Agreement for each of the annual capital investments made under the Fee Agreement during the Investment Period. The amounts of such payments shall be determined by using an assessment ratio of 6.0%, a fixed millage rate of 272.1 mils (which is understood to be the millage rate in effect at the location of the Project for fiscal year ending June 30, 2012, the discount rate as required under the Act in effect on the date the Fee Agreement is executed (the "Discount Rate"), and the fair market value (which value

is not subject to reassessment as provided in the Act) as determined by using original cost for any real property and original cost less allowable depreciation for any personal property in accordance with Title 12, Chapter 37, Code of Laws of South Carolina 1976, as amended. Using the Discount Rate and the appropriate depreciation rate, pursuant to Section 12-37-930 of the South Carolina Code of Laws, as amended and as determined by the South Carolina Department of Revenue, the Company shall pay a level annual fee in lieu of tax for each annual investment subject to the fee pursuant to Section 12-44-50(A)(3).

(f) The County and the Company agree that the Company may dispose of property subject to fee payments to the full extent allowed by the Act. To the extent permitted by the Act:

(1) When the Company disposes of property subject to the fee, the fee payment shall be reduced by the amount of the fee payment applicable to that property.

(2) Property shall be considered disposed of for purposes of this Section only when it is scrapped or sold in accordance with the Fee Agreement.

(3) The Company will be allowed to replace personal property subject to the Fee Agreement to the full extent provided by the Act.

Section 2.4. Upon the request of the Company, the County will permit the planning, design, acquisition, construction and carrying out of the Project to commence prior to the execution and delivery of the Fee Agreement. Contracts for construction and for purchase of machinery, equipment and related real and personal property deemed necessary under the Fee Agreement may be let by the Company.

Section 2.5. Greenville County Council (the “County Council”) agrees that this Agreement constitutes a Millage Rate Agreement, within the meaning of the Act, providing the Company with the millage rate of 272.1 mills (which is understood to be the millage rate in effect at the location of the Project for fiscal year ending June 30, 2012).

Section 2.6. (a) The County Council does hereby agree, subject to the minimum investment requirement referred to herein, and the requirements of Section 4-1-175 and Section 12-44-70 of the Act and the Home Rule Act, the ITC referenced in Section 1.1 herein shall be made part of and included in the Fee Agreement and shall be made available to pay or reimburse the payment of a portion of or all of the costs of the Project Infrastructure. The ITC will be payable exclusively from payments the County receives and retains from the Company in lieu of taxes under the Fee Agreement authorized herein and in the Park Agreement. The ITC shall not constitute a general obligation of indebtedness of the County nor a pledge of the full faith and credit or the taxing power of the County.

(b) The undertakings of the County hereunder are contingent upon the Company providing the County with such further evidence as may be satisfactory to the County as to compliance with all applicable statutes and regulations.

ARTICLE III

UNDERTAKINGS ON THE PART OF THE COMPANY

Section 3.1. Prior to execution of the Fee Agreement and subsequent to the delivery of this Agreement, the Company may advance any acquisition or construction funds required in connection with the planning, design, acquisition, construction, leasing and carrying out of the Project including any infrastructure and be entitled to subject the constructed or acquired property to the amendment to the Fee Agreement.

Section 3.2. The County will have no obligation to assist the Company in finding a bank and the Company may endeavor to finance the Project to the extent required to finance the cost of the acquisition and installation of the Project and the costs of the fee in lieu of tax transaction.

Section 3.3. If the Project proceeds as contemplated, the Company further agrees as follows:

- (a) To obligate itself to make the payments required by the Act including, but not limited to, payments in lieu of taxes at rates calculated in accordance with Section 2.3 (e) hereof;
- (b) To indemnify, defend, and hold the County harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions;
- (c) To perform such further acts and adopt such further proceedings as may be required to faithfully implement its undertakings and consummate the proposed financing;
- (d) To apply for, and use its best efforts to obtain, all permits, licenses, authorizations and approvals required by all governmental authorities in connection with the acquisition, construction, operation and use of the Project;
- (e) To indemnify, defend and hold the County and the individual directors, officers, agents and employees thereof harmless against any claim or loss or damage to property or any injury or death of any person or persons occurring in connection with the planning, design, acquisition, construction, leasing and carrying out of the Project, including environmental indemnity. The Company also agrees to reimburse or otherwise pay, on behalf of the County, any and all expenses not hereinbefore mentioned incurred by the County in connection with the Project, including without

limitation, the County's reasonable attorneys fees incurred in connection with the approval and documentation of the matters referred to herein. This indemnity shall be superseded by a similar indemnity in the Fee Agreement; and

(f) To invest not less than Ninety Million Dollars (\$90,000,000) of otherwise taxable investment in the Project during the Investment Period which investment level will be maintained for not less than twelve (12) years, with a non-exempt investment level of not less than Seventy Million Dollars (\$70,000,000) to be maintained for the remaining term of the Fee Agreement.

ARTICLE IV

GENERAL PROVISIONS

Section 4.1. Notwithstanding anything in this Agreement to the contrary, all commitments of the County under Article II hereof are subject to all of the provisions of the Act and the Home Rule Act, including, without limitation, (i) the adoption of ordinances by the County and, as necessary, a contiguous county, and (ii) that nothing contained or referred to in this Agreement shall constitute or give rise to a pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing powers of either.

Section 4.2. All commitments of the County and the Company hereunder are subject to the condition that the County and the Company agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions hereof.

Section 4.3. If for any reason this Agreement is not executed and delivered by the Company on or before December 31, 2012, the provisions of this Agreement shall be cancelled and neither party shall have any rights against the other and no third parties shall have any rights against either party except:

(a) The County will convey to the Company any title it may have acquired to the Project, to the extent of its ownership therein, if any;

(b) The Company will pay the County for all expenses which have been authorized by the Company and incurred by the County in connection with the planning, design, acquisition, construction and carrying out of the Project and for all expenses incurred by the County in connection with the authorization and approval of the Fee Agreement and the other agreements of the County referred to herein and this Agreement;

(c) The Company will assume and be responsible for all contracts for construction or purchase of the Project entered into by the County at the request or direction of the Company in connection with the Project and the other agreements of

the County referred to herein; and

(d) The Company will pay the out-of-pocket expenses of officers, agents and employees of the County and counsel for the County incurred in connection with the Project and the execution of the amendment to the Fee Agreement and the other agreements of the County referred to herein, and will pay fees incurred by the County for legal services related to the Project, including the adoption of the Inducement Resolution relating to this Agreement and the execution of the Fee Agreement and the other agreements of the County referred to herein.

Section 4.4. The parties understand that the Company may choose not to proceed with the Project, in which event this Agreement shall be cancelled and, subject to parties' obligations described in Section 4.3, neither party shall have any further rights against the other, and no third party shall have any rights against either party.

Section 4.5. To the maximum extent allowable under the Act, the Company may, without the prior consent of the County, assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights and/or obligations under this Inducement Agreement the Fee Agreement or any other Agreement related hereto or thereto, to one or more other entities which are "Related Parties" within the meaning of the Internal Revenue Code without adversely affecting the benefits to the Company or its assignees pursuant to any such Agreement or the Act.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Inducement Agreement on the respective dates indicated below.

GREENVILLE COUNTY, SOUTH CAROLINA

By: _____
Herman G. Kirven, Jr., Chairman of County Council
Greenville County, South Carolina

By: _____
Joseph M. Kernell, County Administrator
Greenville County, South Carolina

(SEAL)

ATTEST:

By: _____
Theresa B. Kizer, Clerk to County Council
Greenville County, South Carolina

Dated: April 3, 2012

IKE II

By: _____
Its:

Date: