
SPECIAL SOURCE CREDIT AGREEMENT

by and between

GREENVILLE COUNTY, SOUTH CAROLINA

and

MICHELIN NORTH AMERICA, INC.
a New York corporation

Dated as of _____, 2016

SPECIAL SOURCE CREDIT AGREEMENT

THIS SPECIAL SOURCE CREDIT AGREEMENT, dated as of _____, 2016 (the “*Agreement*”), by and between **GREENVILLE COUNTY, SOUTH CAROLINA**, a body politic and corporate and a political subdivision of the State of South Carolina (the “*County*”), and **MICHELIN NORTH AMERICA, INC.**, a New York corporation organized and existing under the laws of the State of New York (the “*Company*”).

WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the “*County Council*”) is authorized by the Code of Laws of South Carolina 1976, as amended (the “*Code*”) to (i) pursuant to Section 4-1-175 of the Code, and by incorporation, Section 4-29-68 of the Code (collectively, the “*Special Source Credit Act*”), provide special source revenue credits to investors which are secured by and payable solely from revenues of the County derived from payments in lieu of taxes pursuant to Article VIII, Section 13 of the South Carolina Constitution, for the purpose of defraying certain costs, including without limitation, the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County or a project and for improved and unimproved real estate and personal property, including, machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise, to enhance the economic development of the County, all within the meaning of the Special Source Credit Act (the “*Special Source Improvements*”); and (ii) create, in conjunction with one or more other counties, pursuant to the provisions of Title 4, Chapter 1 of the Code and Article VIII, Section 13 of the South Carolina Constitution (collectively, the “*Multi-County Park Act*”), a joint county industrial or business park (each a “*Park*”) in order to facilitate the grant of such special source revenue credits to such investors; and

WHEREAS, the Company has made, and is considering the making of, significant additional investment in the County through the expansion of certain manufacturing and related facilities consisting of the acquisition, construction, and installation of buildings, improvements, fixtures, machinery, equipment, furnishings and other real and/or tangible personal property at one or more locations within the County (the “*Expansion Project*”) and in order to induce the Company to locate the Expansion Project in the County, the County, pursuant to Title 12, Chapter 44 of the Code (the “*Negotiated FILOT Act*”) and the Special Source Credit Act, entered into that certain Fee in Lieu of Tax and Incentive Agreement dated as of December 4, 2012 with the Company (the “*Expansion Project Incentive Agreement*”), whereby the County agreed to provide the Company and the Expansion Project with the benefits of certain incentives including, without limitation, certain negotiated fee in lieu of tax benefits (the “*Expansion Project Negotiated FILOT*”) and special source revenue credit benefits against the Expansion Project Negotiated FILOT payments (the “*Expansion Project Special Source Credits*”), as set forth in greater detail therein; and

WHEREAS, as set forth in greater detail in the Expansion Project Incentive Agreement, Expansion Project property is eligible to be located on any parcels of land comprising the Land (as such term is defined in the Expansion Project Incentive Agreement), which parcels are described in greater detail in Exhibit A to the Expansion Project Incentive Agreement (the “*Expansion Project Land*”); and

WHEREAS, as of the original execution and delivery of the Expansion Project Incentive Agreement, Exhibit A to the Expansion Project Incentive Agreement identified fourteen (14) parcels of land as the Expansion Project Land, Parcel 14 of which is located at 478 Garrison Road, Pelzer, South Carolina 29669, and is being presently leased, together with certain real property improvements located thereon, to the Company (the “*Garrison Road Site*”); and

WHEREAS, pursuant to Section 4.01(d)(iv) of the Expansion Project Incentive Agreement, the Company, by written notice to the County dated December 13, 2013, added one (1) additional parcel of land as Parcel 15 to the Expansion Project Land and, accordingly, to Exhibit A to the Expansion Project Incentive Agreement, which parcel is located at 280 Griffin Road, Piedmont, South Carolina 29673, and is also being presently leased, together with certain real property improvements located thereon, to the Company (the “*Griffin Road Site*”); and

WHEREAS, in connection with, and as part of, the Expansion Project, the Company has invested, and is considering additional investment, in certain real property improvements, which despite being wholly comprised of investment made as part of the Expansion Project, the parties believe is, or will be, ineligible, under Section 12-44-110 of the Negotiated FILOT Act, for the Expansion Project Negotiated FILOT and, accordingly, the Expansion Project Special Source Credits, all of which investment is or would be located at the Garrison Road Site (the “*Garrison Road Non- FILOT Expansion Project*”) or the Griffin Road Site (the “*Griffin Road Non-FILOT Expansion Project*”, and together with the Garrison Road Non-FILOT Expansion Project, referred to herein as the “*Non-FILOT Expansion Project*”); and

WHEREAS, the Company expects that its investment in the Non-FILOT Expansion Project has resulted, and will result, in an expected aggregate investment of at least \$9,000,000, all within the period identified as the “Investment Period” in the Expansion Project Incentive Agreement; and

WHEREAS, in accordance with Article VIII, Section 13 of the South Carolina Constitution and the Multi-County Park Act, real and personal property having a *situs* in a Park, is exempt from all *ad valorem* taxation, but, each owner or lessee of such real and personal property is obligated to make, or cause to be made, payments in lieu of taxes to the County in the total amount equivalent to the *ad valorem* taxes or other fee in lieu of tax payments that would have otherwise been due and payable from each such entity with respect to such real and personal property but for the location of such real and personal property within such Park and such exemption (each, a “Multi-County Park Fee Payment”); and

WHEREAS, the County and Pickens County have established a Park by entering into an Agreement for the Development of a Joint County Industrial and Business Park dated as of November 4, 1996, as amended (the “*Greenville-Pickens Park Agreement*”), pursuant to the provisions of Article VIII, Section 13 of the South Carolina Constitution and the Multi-County Park Act and have designated the Garrison Road Site as being included within the Greenville-Pickens Park, and the County desires to cause the Garrison Road Site to continue to be located in the Greenville-Pickens Park or such other Park so as to afford the Company, pursuant to the Special Source Credit Act, the benefits of the special source revenue credits with respect to the Non-FILOT Garrison Road Expansion Project provided herein; and

WHEREAS, the County and Anderson County have established a Park by entering into an Agreement for the Development of a Joint County Industrial and Business Park dated as of December 31, 2015, as amended (the “*Greenville-Anderson Park Agreement*”), pursuant to the provisions of Article VIII, Section 13 of the South Carolina Constitution and the Multi-County Park Act and have designated the Griffin Road Site as being included within the Greenville- Anderson Park, and the County desires to cause the Griffin Road Site to continue to be located in the Greenville-Anderson Park or such other Park so as to afford the Company, pursuant to the Special Source Credit Act, the benefits of the special source revenue credits with respect to the Non-FILOT Griffin Road Expansion Project provided herein; and

WHEREAS, pursuant to the Special Source Credit Act, and as further inducement for location of the Expansion Project in the County, the County has agreed to provide certain special source revenue credits to the Company against each Multi-County Park Fee Payment due from the Company with respect to the Non-FILOT Project, as set forth in greater detail herein, and is delivering this Agreement in furtherance thereof; and

WHEREAS, the County Council has duly authorized execution and delivery of this Agreement by ordinance duly enacted by the County Council on _____, 20__, following conducting a public hearing on _____, 20__;

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, the County and the Companies agree as follows:

ARTICLE I

DEFINITIONS

The defined terms in this Agreement shall for all purposes of this Agreement have the meanings specified in the recitals above and in this **Article I**, unless the context clearly otherwise requires. Except where the context otherwise requires, words importing the singular number shall include the plural number and *vice versa*.

“Affiliate” shall mean any corporation, limited liability company, partnership or other Person or entity which now or hereafter owns all or part of the Company, or which now or hereafter is owned in whole or in part by the Company, or by any partner, shareholder or owner of the Company, as well as any subsidiary, affiliate or other Person, individual, or entity who now or hereafter bears a relationship to the Company as described in Section 267(b) of the Internal Revenue Code.

“Agreement” shall mean this Agreement, as the same may be amended, modified or supplemented in accordance with the terms hereof.

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

“Company” shall mean Michelin North America, Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns.

“Costs of the Special Source Improvements” shall mean to extent permitted by law, all the costs of designing, acquiring, constructing, improving, equipping or expanding the Special Source Improvements, whether incurred prior to or after the date of this Agreement, and shall be deemed to include, but not be limited to: (a) obligations incurred for labor, materials, and other expenses to builders and materialmen in connection with the acquisition, construction, and installation of the Special Source Improvements; (b) the cost of design and engineering of the Special Source Improvements; (c) the cost of construction bonds and of insurance of all kinds that may be required or necessary during the course of construction and installation of the Special Source Improvements, which is not paid by the contractor or contractors or otherwise provided for; (d) the expenses for test borings, surveys, test and pilot operations, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or reasonably necessary in connection with the acquisition, construction, equipping and installation of the Special Source Improvements; (e) all other costs which shall be required under the terms of any contract for the acquisition, construction, and installation of the Special Source Improvements; and (f) all legal, accounting and related costs properly capitalizable to the cost of the Special Source Improvements.

“County” shall mean Greenville County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina and its successors and assigns.

“Enhanced Investment FILOT Compliance Period” shall have the meaning set forth with respect to such term in the Expansion Project Incentive Agreement.

“Enhanced Investment FILOT Minimum Requirement” shall have the meaning set forth with respect to such term in the Expansion Project Incentive Agreement.

“Expansion Project” shall have the meaning set forth with respect to such term in the recitals of this Agreement and shall be further defined to have the meaning set forth with respect to such term in the Expansion Project Incentive Agreement.

“Expansion Project Incentive Agreement” shall the meaning set forth with respect to such term in the recitals to this Agreement, as the same was originally executed and is from time to time supplemented or amended as permitted therein.

“Expansion Project Investment Period” shall have the meaning set forth with respect to such in the recitals of this Agreement and shall be further defined to have the meaning set forth with respect to “Investment Period” in the Expansion Project Incentive Agreement. The parties anticipate that the Expansion Project Investment Period will end on **[December 31, 2019]**.

“Expansion Project Land” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Garrison Road Non-FILOT Expansion Project” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Garrison Road Site” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Greenville-Anderson Park Agreement” shall have the meaning set forth with respect to such term in the recitals to this Agreement, as the same may be further amended or supplemented from time to time or such other agreement as the County may enter with respect to the Non-FILOT Griffin Road Expansion Project to offer the benefits of the Special Source Credits to the Company hereunder.

“Greenville-Pickens Park Agreement” shall have the meaning set forth with respect to such term in the recitals to this Agreement, as the same may be further amended or supplemented from time to time or such other agreement as the County may enter with respect to the Non-FILOT Garrison Road Expansion Project to offer the benefits of the Special Source Credits to the Company hereunder.

“Greenville Park” shall mean (i) with respect to the Garrison Road Site and the Garrison Road Non-FILOT Project now or hereafter located thereon, the Park established pursuant to the terms of the Greenville-Pickens Park Agreement, (ii) with respect to the Griffin Road Site and the Griffin Road Non-FILOT Project now or hereafter located thereon, the Greenville-Anderson Park established pursuant to the terms of the Greenville-Anderson Park Agreement, and (iii) any joint county industrial park created pursuant to a successor park agreement delivered by the County and a partner county in accordance with Section 4-1-170 of the Multi-County Park Act, or any successor provision, with respect to all or any portion of the Non-FILOT Expansion Project.

“Griffin Road Non-FILOT Expansion Project” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Griffin Road Site” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Multi-County Park Act” shall mean Title 4, Chapter 1 of the Code, and all future acts amendatory thereto.

“Multi-County Park Fee Payment” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Multi-County Park Non-FILOT Expansion Project Fee Payments” shall mean the Multi-County Park Fee Payments made by the Company with respect to the Non-FILOT Expansion Project by virtue of the Non-FILOT Expansion Project’s location in (a) (i) the Greenville-Pickens Park, in the case of the Garrison Road Non-FILOT Project, and (ii) the Greenville-Anderson Park, in the case of the Griffin Road Non-FILOT Project, or (b) in any Greenville Park created by the County and a partner county pursuant to the Greenville-Pickens Park Agreement or the Greenville-Anderson Park Agreement qualifying under Section 4-1-170 of the Multi-County Park Act or any successor provision.

“Non-FILOT Expansion Project” shall mean the Non-FILOT Garrison Road Expansion Project and the Non-FILOT Griffin Road Expansion Project, collectively.

“Non-FILOT Garrison Road Expansion Project” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Non-FILOT Griffin Road Expansion Project” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Ordinance” shall mean the ordinance enacted by the County Council on _____, 20___, authorizing the execution and delivery of this Agreement.

“Park” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Person” shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization, or a government or political subdivision.

“Special Source Credit Act” shall have the meaning set forth with respect to such term in the recitals to this Agreement.

“Special Source Credits” shall mean the Tier 1 Special Source Credits and the Tier 2 Special Source Credits, collectively.

“Special Source Credits Investment Level” shall have the meaning set forth with respect to such term in the Expansion Project Incentive Agreement.

“Special Source Improvements” means, to the extent paid for by the Company whether prior to or after the date of this Agreement, any infrastructure serving the economic development of the County, and any improved and unimproved real property, buildings, structural components of buildings, fixtures or other real property improvements used in the operation of a manufacturing or commercial enterprise, all in order to enhance the economic development of the County, including, without limitation, the Non-FILOT Expansion Project, all to the extent permitted by the Multi-County Park Act.

“Tier 1 Special Source Credits” shall mean the special source revenue credits hereby granted by the County and described in **Section 3.02(a)** hereof.

“Tier 2 Special Source Credits” shall mean the special source revenue credits hereby granted by

the County and described in **Section 3.02(b)** hereof.

The words “hereof”, “herein”, “hereunder”, and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

SECTION 2.01. Representations by the County. The County makes the following representations and covenants as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State of South Carolina and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action by the County Council, the County has been duly authorized to execute and deliver this Agreement and any and all agreements collateral thereto and has duly authorized any and all actions reasonably necessary and appropriate to consummate the transactions contemplated hereby.

(b) The County is authorized and empowered by the provisions of the Multi-County Park Act and the Special Source Credit Act to enter into, execute, deliver, and carry out its obligations under, this Agreement.

(c) The County has duly approved this Agreement, including, without limitation, the Special Source Credits, by enactment of the County Ordinance in accordance with the procedural requirements of the Multi-County Park Act and any other applicable state and local law.

(d) The County proposes to provide the Special Source Credits to reimburse the Company for a portion of the Cost of the Special Source Improvements for the purpose of promoting economic development of the County.

(e) To the best knowledge of the undersigned representatives of the County, the County is not in violation of any of the provisions of the laws of the State of South Carolina, where any such default would affect the validity or enforceability of this Agreement.

(f) To the best knowledge of the undersigned representatives of the County, the authorization, execution and delivery of this Agreement, the enactment of the Ordinance, and performance of the transactions contemplated hereby and thereby do not and will not, to the best knowledge of the County, conflict with, or result in the violation or breach of, or constitute a default or require any consent under, or create any lien, charge or encumbrance under the provisions of (i) the South Carolina Constitution or any law, rule, or regulation of any governmental authority, (ii) any agreement to which the County is a party, or (iii) any judgment, order, or decree to which the County is a party or by which it is bound.

(g) To the best knowledge of the undersigned representatives of the County, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, or before or by any court, public body, or public board which is pending or threatened challenging the creation, organization or existence of the County or its governing body or the power of the County to enter into the transactions contemplated hereby or wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or would affect the validity, or adversely affect the enforceability, of this Agreement, or any other agreement or instrument to which the County is a party and which is to be used in connection with or is contemplated by

this Agreement, nor to the best of the knowledge of the undersigned representatives of the County is there any basis therefor.

SECTION 2.02. Representations and Covenants by the Company. The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of New York and qualified to do business in the State of South Carolina, has power to enter into this Agreement and to carry out its obligations hereunder, and by proper corporate action has been duly authorized to execute and deliver this Agreement.

(b) To the best knowledge of the undersigned representative of the Company, neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, will result in a material breach of any of the terms, conditions, or provisions of any corporate restriction or any agreement or instrument to which the Company is now a party or by which it is bound, or will constitute a default under any of the foregoing, or result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever upon any of the property or assets of the Company, other than as may be created or permitted by this Agreement.

(c) To the best knowledge of the Company, there is no action, suit, proceeding, inquiry, or investigation, at law or in equity, or before or by any court, public body, or public board which is pending or threatened challenging the power of the Company to enter into the transactions contemplated hereby or wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or would affect the validity, or adversely affect the enforceability, of this Agreement, or any other agreement or instrument to which the Company is a party and which is to be used in connection with or is contemplated by this Agreement, nor to the best of the knowledge of the Company is there any basis therefore.

(d) The Company agrees to reimburse the County for all reasonable expenses, including attorney's fees, to which it might be put in the review of this Agreement and in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions; provided, however, that no such expense shall be so reimbursable until the County has furnished to the Company an itemized statement in writing indicating the amount of such expense and the reason it has been or will be incurred. The parties understand that the County has incurred, and will incur, attorney's fees and other expenses in connection with the original execution and delivery of this Agreement, ordinances and other documentation related hereto in an amount not to exceed \$6,000.00.

(e) The Company agrees to maintain such books and records with respect to the Non-FILOT Expansion Project as will permit verification of the Company's compliance with the terms of this Agreement and the certifications submitted to the County pursuant to Section 3.02(f) hereof. The Company, may, by clear, written designation, conspicuously marked, designate with respect to any book and records delivered or made available to the County segments thereof that the Company believes contain proprietary, confidential or trade secret matters. The County shall comply with all reasonable written requests made by the Company with respect to maintaining the confidentiality of such designated segments. Except to the extent required by law, the County shall not release information which has been designated as confidential or proprietary by the Company. In the event that the County is required to disclose any information that has been designated as confidential and proprietary by the Company to any third party, the County agrees to provide the Company with as much advance notice as is reasonably possible of such requirement before making such disclosure, and to cooperate reasonably with any attempts by the Company to obtain judicial or other relief from such disclosure requirement.

SECTION 2.03. Covenants of the County.

(a) To the best of its ability, the County will at all times maintain its corporate existence and will use its best efforts to maintain, preserve, and renew all its rights, powers and privileges; and it will comply with all valid acts, rules, regulations, orders, and directions of any legislative, executive, administrative, or judicial body applicable to this Agreement.

(b) The County acknowledges that the Greenville-Pickens Park Agreement will expire pursuant to its terms on November 4, 2026 (the "Original Greenville-Pickens Park Termination Date"). In the event of any early termination of the Greenville-Pickens Park Agreement or the termination of the Greenville-Pickens Park Agreement on the Original Greenville-Pickens Park Termination Date, the County agrees to use its best reasonable efforts to cause the Project, at the Company's expense, pursuant to Section 4-1-170 of the Act or any successor provision, to be included in a duly authorized, executed and delivered successor Park agreement with an adjoining South Carolina county, which successor agreement shall contain a termination date occurring no earlier than the final year as to which any Special Source Credits shall be payable against Expansion Project Multi-County Park Fee Payments due with respect to the Non-FILOT Garrison Road Project under this Agreement.

(c) The County acknowledges that the Greenville-Anderson Park Agreement will expire pursuant to its terms on December 31, 2045 (the "Original Greenville-Anderson Park Termination Date"). In the event of any early termination of the Greenville-Anderson Park Agreement or the termination of the Greenville-Anderson Park Agreement on the Original Greenville-Anderson Park Termination Date, the County agrees to use its best reasonable efforts to cause the Project, at the Company's expense, pursuant to Section 4-1-170 of the Act or any successor provision, to be included in a duly authorized, executed and delivered successor Park agreement with an adjoining South Carolina county, which successor agreement shall contain a termination date occurring no earlier than the final year as to which any Special Source Credits shall be payable against Expansion Project Multi-County Park Fee Payments due with respect to the Non-FILOT Griffin Road Project under this Agreement.

(d) The County covenants that it will from time to time, at the request and expense of the Company, execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the purpose of this Agreement; provided, however, that such instruments or actions shall never create or constitute a general obligation or an indebtedness of the County within the meaning of any State of South Carolina constitutional provision (other than the provisions of Article X, Section 14(10) of the South Carolina Constitution) or statutory limitation and shall never constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power or pledge the full faith, credit or taxing power of the State, or any other political subdivision of the State.

ARTICLE III

SPECIAL SOURCE CREDITS

SECTION 3.01. Payment of Costs of Special Source Improvements.

The Company shall be responsible for payment of all Costs of the Special Source Improvements with respect to the Project.

SECTION 3.02. Special Source Credits.

(a) In order to reimburse the Company for a portion of the Cost of the Special Source Improvements, the Company shall, subject to the provisions of Section 3.02(d) hereof, be entitled to

receive, and the County shall provide, special source revenue credits against each Multi-County Park Non-FILOT Expansion Project Fee Payment due with respect to the Non-FILOT Expansion Project from the Company for a period equal to the Expansion Project Negotiated FILOT term that would be applicable to such property if it were eligible for the Expansion Project Negotiated FILOT set forth in the Expansion Project Incentive Agreement, which shall initially be equal to a period of thirty (30) consecutive tax years with respect to each annual increment of investment in Non-FILOT Expansion Project property placed in service during the Expansion Project Investment Period, commencing with the initial Multi-County Park Non-FILOT Expansion Project Fee Payment due for each annual increment of investment (*i.e.*, the Multi-County Park Non-FILOT Expansion Project Fee Payment due with respect to such an annual increment of investment to be first payable on or before the January 15 immediately following the year immediately following the first year in which such annual increment of investment of the Non-FILOT Expansion Project is first placed in service, which such first in-service year is calendar year 2015 and, accordingly, such initial Multi-County Park Non-FILOT Expansion Project Fee Payment would be first payable on or before January 15, 2017) as follows: (i) with respect to the Non-FILOT Garrison Road Expansion Project, in an amount sufficient to reduce the amount of each such Multi-County Park Non-FILOT Expansion Project Fee Payment due for each such tax year, after reduction of such payment arising from any manufacturing exemption received by the Company with respect to the Non-FILOT Garrison Road Expansion Project pursuant to Section 12-37-220(A)(7) of the Code for such tax year, so that the resulting net payment due equals the amount of such payment if calculated using (1) an assessment ratio of 4%, (2) a fixed millage rate which is the millage rate in effect for Garrison Road Site as of June 30, 2011, which the parties hereto believe to be 266.0, and (3) a valuation of such Non-FILOT Garrison Road Expansion Project property, as real property, utilizing such property's original income tax basis for South Carolina income tax purposes without regard to depreciation or reassessment, and (ii) with respect to the Non-FILOT Griffin Road Expansion Project, in an amount sufficient to reduce the amount of each such Multi-County Park Non-FILOT Expansion Project Fee Payment due for each such tax year, after reduction of such payment arising from any manufacturing exemption received by the Company with respect to the Non-FILOT Griffin Road Expansion Project pursuant to Section 12-37-220(A)(7) of the Code for such tax year, so that the resulting net payment due equals the amount of such payment if calculated using (1) an assessment ratio of 4%, (2) a fixed millage rate which is the millage rate in effect for Griffin Road Site as of June 30, 2011, which the parties hereto believe to be 272.1, and (3) a valuation of such Non-FILOT Griffin Road Expansion Project property, as real property, utilizing such property's original income tax basis for South Carolina income tax purposes without regard to depreciation or reassessment.

(b) To further reimburse the Costs of Special Source Improvements, and in addition to the Tier 1 Special Source Credits, the Company shall, subject to the provisions of Section 3.02(d) hereof, be entitled to receive, and the County shall provide, special source revenue credits against each net Multi-County Park Non-FILOT Expansion Project Fee Payment due with respect to the Non-FILOT Expansion Project from the Company, after application of the Tier 1 Special Source Revenue Credits, for a period of seventeen (17) consecutive tax years, commencing with such net Multi-County Park Non-FILOT Expansion Project Fee Payment due for tax year 2016 (*i.e.*, the Multi-County Park Non-FILOT Expansion Project Fee Payment typically due to be paid without penalty on or before January 15, 2017), in an amount equal to forty percent (40%) of each such net Multi-County Park Non-FILOT Expansion Project Fee Payment.

(c) In no event shall the aggregate amount of all Special Source Credits claimed by the Company exceed the amount expended by it with respect to the Special Source Improvements at any point in time. The Company shall be responsible for making written annual certification as to compliance with the provisions of the preceding sentence through the delivery of a certification in substantially the form attached hereto as Exhibit A, and shall be due no later than the August 1 following the immediately preceding December 31 of each year as to which any Special Source Credits shall relate.

(d) Should the Enhanced Investment FILOT Minimum Requirement not be satisfied by the end of the Enhanced Investment FILOT Compliance Period, as required under the Expansion Project Incentive Agreement, the following provisions shall apply:

(i) the Tier 1 Special Source Credits shall be reduced retroactively and prospectively such that the assessment ratio utilized to calculate such credits is increased from 4% to 6%; and

(ii) the Tier 2 Special Source Credits benefit provided shall be reduced by one (1) tax year for each full \$10,000,000 increment of investment shortfall, if any, when comparing the highest level of aggregate investment in the Expansion Project prior to the end of the Enhanced Investment FILOT Compliance Period to the Special Source Credits Investment Level.

(e) If any of **Section 3.02(a)** or **Section 3.02(b)** hereof, or the granting of any of the Tier 1 Special Source Credits or the Tier 2 Special Source Credits under this Agreement, is found to be invalid, illegal, or unenforceable by a court of competent jurisdiction, the County agrees to provide the Company with an incentive that is valid pursuant to such court ruling and commensurate to the nature and value of the benefits intended to be provided under this Agreement, all to the maximum extent legally permissible.

(f) THIS AGREEMENT AND THE SPECIAL SOURCE CREDITS BECOMING DUE HEREUNDER ARE LIMITED OBLIGATIONS OF THE COUNTY PROVIDED BY THE COUNTY SOLELY FROM THE MULTI-COUNTY PARK NON-FILOT EXPANSION PROJECT FEE PAYMENTS RECEIVED BY THE COUNTY FOR THE NON-FILOT EXPANSION PROJECT PURSUANT TO THE GREENVILLE-PICKENS PARK AGREEMENT OR THE GREENVILLE-ANDERSON PARK AGREEMENT, AS THE CASE MAY BE, AND DO NOT AND SHALL NEVER CONSTITUTE A GENERAL OBLIGATION OR AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION (OTHER THAN THE PROVISIONS OF ARTICLE X, SECTION 14(10) OF THE SOUTH CAROLINA CONSTITUTION) OR STATUTORY LIMITATION AND DO NOT AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. THE FULL FAITH, CREDIT, AND TAXING POWER OF THE COUNTY ARE NOT PLEDGED FOR THE SPECIAL SOURCE CREDITS.

(g) No breach by the County of this Agreement shall result in the imposition of any pecuniary liability upon the County or any charge upon its general credit or against its taxing power. The liability of the County under this Agreement or of any warranty herein included or for any breach or default by the County of any of the foregoing shall be limited solely and exclusively to the Multi-County Park Non-FILOT Expansion Project Fee Payments for the Non-FILOT Expansion Project in the Greenville-Pickens Park or the Greenville-Anderson Park, as the case may be. The County shall not be required to execute or perform any of its duties, obligations, powers, or covenants hereunder except to the extent of the Multi-County Park Non-FILOT Expansion Project Fee Payments.

(h) Each annual Special Source Credit amount shall be reflected by the County Auditor or other authorized County official or representative on each bill for Multi-County Park Non-FILOT Expansion Project Fee Payments sent to the Company by the County for each applicable tax year as set forth above, by reducing such Multi-County Park Non-FILOT Expansion Project Fee Payments otherwise due by the amount of the Special Source Credits to be provided to the Company for such tax year.

ARTICLE IV

CONDITIONS TO DELIVERY OF AGREEMENT; TITLE TO PROJECT

SECTION 4.01. Documents to be Provided by County. Prior to or simultaneously with the execution and delivery of this Agreement, the County shall provide to the Company:

(a) A copy of the Ordinance, duly certified by the Clerk of the County Council to have been duly enacted by the County and to be in full force and effect on the date of such certification; and

(b) A copy of the Greenville-Pickens Park Agreement and the Greenville-Anderson Park Agreement, duly certified by the Clerk of the County Council to have been duly enacted by the County and to be in full force and effect on the date of such certification; and

(c) Such additional related certificates, instruments or other documents as the Company may reasonably request in a form and substance acceptable to the Company and the County.

SECTION 4.02. Transfers of Non-FILOT Expansion Project; Assignment of Interest in this Agreement by the Company. The County hereby acknowledges that the Company may from time to time and in accordance with applicable law, sell, transfer, lease, convey, or grant the right to occupy and use the Non-FILOT Expansion Project, in whole or in part, or assign its interest in this Agreement, to others; provided, however, that any transfer by the Company of any of its interest in this Agreement to any other Person, other than an Affiliate of the Company, shall require the prior written consent, or subsequent ratification, of the County, which shall not be unreasonably withheld. No such sale, lease, conveyance, grant or assignment shall relieve the County from the County's obligations to provide Special Source Credits to the Company or any assignee of the same, under this Agreement as long as such assignee is qualified to receive the Special Source Credits under the Special Source Credit Act.

SECTION 4.03. Assignment by County. The County shall not assign, transfer, or convey its obligations to provide Special Source Credits hereunder to any other Person, except as may be required by South Carolina law.

ARTICLE V

DEFAULTS AND REMEDIES

SECTION 5.01. Events of Default. If the County or the Company shall fail duly and punctually to perform any covenant, condition, agreement or provision contained in this Agreement on its part to be performed, which failure shall continue for a period of thirty (30) days after written notice by the County or the Company, respectively, specifying the failure and requesting that it be remedied is given to the County by the Company, or to the Company by the County, by first-class mail, the County or the Company, respectively, shall be in default under this Agreement (an "Event of Default").

SECTION 5.02. Remedies and Legal Proceedings by the Company or the County. Upon the happening and continuance of any Event of Default, then and in every such case the Company or the County, as the case may be, in its discretion may:

(a) by mandamus, or other suit, action, or proceeding at law or in equity, enforce all of its or their rights and require the other party to carry out any agreements with or for its benefit and to perform its or their duties under the Act and this Agreement;

- (b) bring suit upon this Agreement;
- (c) exercise any or all rights and remedies provided by applicable laws of the State of South Carolina; or
- (d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of its rights.

SECTION 5.03. Remedies Not Exclusive. No remedy in this Agreement conferred upon or reserved to the County or the Company hereunder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

SECTION 5.04. Nonwaiver. No delay or omission of the County or the Company to exercise any right or power accruing upon any default or Event of Default shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or an acquiescence therein; and every power and remedy given by this Article V to any party may be exercised from time to time and as often as may be deemed expedient.

ARTICLE VI

MISCELLANEOUS

SECTION 6.01. Termination. Subject to Sections 5.01 and 5.02 above, this Agreement shall terminate on the date upon which all Special Source Credits provided for herein have been credited to the applicable Company.

SECTION 6.02. Successors and Assigns. All the covenants, stipulations, promises, and agreements in this Agreement contained, by or on behalf of, or for the benefit of, the County, shall bind or inure to the benefit of the successors of the County from time to time and any officer, board, commission, agency, or instrumentality to whom or to which any power or duty of the County, shall be transferred.

SECTION 6.03. Provisions of Agreement for Sole Benefit of the County and the Company. Except as in this Agreement otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any Person other than the County and the Company any right, remedy, or claim under or by reason of this Agreement, this Agreement being intended to be for the sole and exclusive benefit of the County and the Company.

SECTION 6.04. Severability. In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, the illegality or invalidity shall not affect any other provision of this Agreement, and this Agreement, the Special Source Credits shall be construed and enforced as if the illegal or invalid provisions had not been contained herein or therein.

SECTION 6.05. No Liability for Personnel of the County or the Company. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any member, agent, or employee of the County or its governing body or the Company or any of its officers, employees, or agents in his individual capacity, and neither the members of the governing body of the County nor any official executing this Agreement shall be liable personally on the Special Source Credits or this Agreement or be subject to any personal liability of accountability by reason of the issuance thereof.

SECTION 6.06. Notices. All notices, certificates, requests, or other communications under this Agreement shall be sufficiently given and shall be deemed given, unless otherwise required by this Agreement, when (i) delivered or (ii) sent by facsimile and confirmed by United States certified mail, return-receipt requested, restricted delivery, postage prepaid, addressed as follows:

(a) if to the County: Greenville County, South Carolina
301 University Ridge, Suite 2400
Greenville, South Carolina 29601
Attn: Deputy County Administrator

with a copy to:
(which shall not
constitute notice
to the County)

Greenville County, South Carolina
301 University Ridge, Suite 2400
Greenville, South Carolina 29601
Attn: County Attorney

(b) if to the Company:

Michelin North America, Inc.
Attn: Vice President of Tax
One Parkway South (29602)
P.O. Box 19001
Greenville, South Carolina 29615

with a copy to:
(which shall not
constitute notice
to the Company)

Nexsen Pruet, LLC
Attn: Burnet R. Maybank, III, Esq.
Attn: Tushar V. Chikhliker, Esq.
Nexsen Pruet, LLC
1230 Main Street, Suite 700 (29201)
P.O. Drawer 2426
Columbia, South Carolina 29202

A duplicate copy of each notice, certificate, request or other communication given under this Agreement to the County or the Companies shall also be given to the others. The County and the Companies may, by notice given under this Section 6.06, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent.

SECTION 6.07. Applicable Law. The laws of the State of South Carolina shall govern the construction of this Agreement.

SECTION 6.08. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 6.09. Amendments. This Agreement may be amended only by written agreement of the parties hereto.

SECTION 6.10. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

SECTION 6.11. Indemnity.

(a) Notwithstanding the fact that it is the intention of the parties that the County, its members, officers, elected officials, employees, servants and agents (collectively, the “**Indemnified Parties**”) shall not incur pecuniary liability by reason of the terms of this Agreement, or the undertakings required of the County hereunder, by reason of the granting of the Special Source Credits, by reason of the execution of this Agreement, by the reason of the performance of any act requested of it by the Company, or by reason of the County’s relationship to the Project or by the operation of the Project by the Company, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if the County or any of the other Indemnified Parties should incur any such pecuniary liability, then in such event the Company shall indemnify, defend and hold them harmless against all claims by or on behalf of any person, firm or corporation, arising out of the same, and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, and upon notice, the Company shall defend them in any such action or proceeding with legal counsel reasonably acceptable to the County (the approval of which shall not be unreasonably withheld); provided, however, that such indemnity shall not apply to the extent that any such claim is caused by (i) the grossly negligent acts or omissions or willful misconduct of the County, its agents, officers or employees or any other Indemnified Parties, or (ii) any breach of this Agreement by the County.

(b) Notwithstanding anything in this Agreement to the contrary, the above-referenced covenants insofar as they pertain to costs, damages, liabilities or claims by any Indemnified Party resulting from any of the above-described acts of or failure to act by the Company, shall survive any termination of this Agreement.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Greenville County, South Carolina, has caused this Agreement to be executed by the Chairman of Greenville County Council and the County Administrator of the County and its corporate seal to be hereunto affixed and attested by the Clerk of its County Council and Michelin North America, Inc. has caused this Agreement to be executed by its authorized officer, all as of the day and year first above written.

GREENVILLE COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Chairman of County Council

By: _____
County Administrator

ATTEST:

Clerk to County Council of
Greenville County, South Carolina

[Signature page 1 to Special Source Credit Agreement]

MICHELIN NORTH AMERICA, INC.

By: _____

Name: _____

Title: _____

[Signature page 2 to Special Source Credit Agreement]

EXHIBIT A

INFRASTRUCTURE INVESTMENT CERTIFICATION

I _____, the _____ of Michelin North America, Inc. (the "**Company**"), do hereby certify in connection with the Special Source Credit Agreement dated as of _____, 20__ (the "**Agreement**") between Greenville County, South Carolina and Michelin North America, Inc. (the "**Company**"), as follows:

(1) As of _____, 20__, the total amount of Special Source Credits received by the Company is as follows:

(a) Company \$ _____

(c) Total Special Source Credits received \$ _____

(2) As of _____, 20__, the total amount of investment in Costs of Special Source Improvements by the Company is not less than \$ _____.

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

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

By: _____

Name: _____

Its: _____