

**RESOLUTION NO. 2011-12-372**  
**BARNWELL COUNTY, SOUTH CAROLINA**

A RESOLUTION AUTHORIZING THE FIRST AMENDMENT TO THAT CERTAIN FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BETWEEN BARNWELL COUNTY, SOUTH CAROLINA AND KRONOTEX SC, LLC (THE "COMPANY") TO EXTEND THE INVESTMENT PERIOD IN CONSIDERATION OF ON-GOING INVESTMENT BY THE COMPANY; AND OTHER MATTERS RELATING TO THE FOREGOING.

WHEREAS, Barnwell County, South Carolina (the "County"), acting by and through its County Council (the "County Council") and pursuant to the provisions of the Code of Laws of South Carolina, 1976, as amended (the "Code"), and specifically Title 12, Chapter 44 of the Code (the "FILOT Act") and pursuant to Ordinance No. 2004-200 duly enacted (the "Ordinance"), did heretofore enter into a Fee in Lieu of Tax and Incentive Agreement (the "Original FILOT Agreement"), dated as of November 1, 2004, with Kronotex SC, LLC, a South Carolina limited liability company, (the "Company") pursuant to which the Company agreed to make, and the County agreed to accept, negotiated fee in lieu of tax ("FILOT") payments with respect to certain manufacturing facilities owned by the Company and located within the County (the "Project"); and

WHEREAS, the Company anticipates on-going investment in the Project and has requested that the County agree to extend the period for completion of the Project (the "Investment Period") by an additional three (3) years; and

WHEREAS, pursuant to Section 4.01(c) of the Original FILOT Agreement the County may, in its sole discretion and by Resolution of County Council, extend the Investment Period by an additional three (3) years upon the written request of the Company prior to the end of the currently approved Investment Period, all in accordance with Section 12-44-30(13) of the FILOT Act; and

WHEREAS, in order to induce the Company to increase its investment within the County, the County has agreed, in accordance with Section 4.01(c) of the Original FILOT Agreement and Section 12-44-30(13) of the FILOT Act to extend the Investment Period by an additional three years, all as set forth more particularly in the form of the First Amendment to Fee In Lieu of Tax and Incentive Agreement presented to this meeting (the "First Amendment"); and

WHEREAS, it appears that the First Amendment now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT RESOLVED, by the County Council as follows:

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Section 1. The form, terms and provisions of the First Amendment presented to this meeting and filed with the Clerk of the County Council be and they are hereby approved, and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the First Amendment were set out in this Resolution in its entirety. As provided in Section 4.01(c) of the Original FILOT Agreement and Section 12-44-30(13) of the FILOT Act, the County hereby extends the Investment Period by an additional three (3) years through September 30, 2015.

Section 2. The Chairman of the County Council is hereby authorized and directed to execute and deliver the First Amendment in the name and on behalf of the County; the Clerk to Council is hereby authorized and directed to attest the same; and the Chairman of the Council is further authorized and directed to deliver the First Amendment to the Company. The First Amendment is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the First Amendment now before this meeting.

Section 3. The Chairman of the County Council, the Clerk to the County Council and any other proper officer of the County, for and on behalf of the County, be and each of them are hereby authorized and directed to execute and deliver any and all documents and instruments, and to do and to cause to be done any and all acts and things, as may be necessary or proper for carrying out the transactions contemplated by this Resolution.

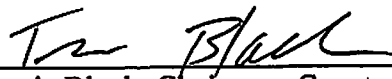
Section 4. The provisions of this Resolution are hereby declared to be separable and, if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

Section 5. Except as modified by this Resolution, the Ordinance shall remain in full force and effect. All other orders, resolutions and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall take effect and be in full force from and after its passage and approval.

[End of Resolution]

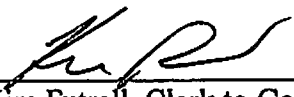
Done in meeting duly assembled December 13, 2011.

BARNWELL COUNTY, SOUTH CAROLINA

By:   
Travis Black, Chairman, County Council,  
Barnwell County, South Carolina

(SEAL)

ATTEST:

  
Kim Futrell, Clerk to County Council,  
Barnwell County, South Carolina

**FIRST AMENDMENT TO  
FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT**

**by and between**

**BARNWELL COUNTY, SOUTH CAROLINA**

**and**

**KRONOTEX SC, LLC**

**Amended as of December 1, 2011**

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**This Amendment pertains to the Fee in Lieu of Tax and Incentive Agreement dated as of November 1, 2004 between Barnwell County, South Carolina and Kronotex SC, LLC.**

## FIRST AMENDMENT TO FEE IN LIEU OF TAX AGREEMENT

THIS FIRST AMENDMENT TO FEE IN LIEU OF TAX AGREEMENT (the "First Amendment"), dated as of December 1, 2011, by and between BARNWELL COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, and KRONOTEX SC, LLC, a limited liability company organized and existing under laws of the State of South Carolina (the "Company");

### WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the "Council"), pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), particularly Title 12, Chapter 44 thereof (the "Act") and Ordinance No. 2004-200 duly enacted by the Council on December 7, 2004, previously entered into that certain Fee in Lieu of Tax and Incentive Agreement dated as of November 1, 2004 (the "Original FILOT Agreement") with the Company, pursuant to which the Company agreed to make, and the County agreed to accept, negotiated fee in lieu of tax payments (the "FILOT") with respect to certain manufacturing facilities owned by the Company and located within the County (the "Project"); and

WHEREAS, the Company anticipates on-going investment in the Project and has requested that the County agree to extend the period for completion of the Project (the "Investment Period") by an additional three (3) years; and

WHEREAS, pursuant to Section 4.01(c) of the Original FILOT Agreement the County may, in its sole discretion and by Resolution of County Council, extend the Investment Period by an additional three (3) years upon the written request of the Company prior to the end of the currently approved Investment Period, all in accordance with Section 12-44-30(13) of the FILOT Act; and

WHEREAS, in order to induce the Company to increase its investment within the County, the County has agreed, in accordance with Section 4.01(c) of the Original FILOT Agreement and Section 12-44-30(13) of the FILOT Act to extend the Investment Period by an additional three years; and

WHEREAS, the County authorized the foregoing actions to be taken for the benefit of the Company pursuant to that certain Resolution duly enacted by the Council with respect to this First Amendment on December 13, 2011.

NOW, THEREFORE, in consideration of the foregoing recitals which are incorporated herein by reference, and other lawful consideration, and respective representations and agreements hereinafter contained, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

Section 1. Definitions. Defined terms utilized herein and not otherwise defined herein shall have the meanings ascribed to them in the Original FILOT Agreement.

Section 2. Amendment of Original FILOT Agreement.

- (a) The Original FILOT Agreement shall be amended as follows:

The definition of Investment Period is hereby amended to read as follows:

*"Investment Period"* shall mean the period for completion of the Project, which shall be equal to the Statutory Compliance Period plus an additional five (5) years; provided there shall be no extension of the period for meeting the Minimum Statutory Requirement beyond the Statutory Compliance Period, all determined as specified in Section 12-44-30(13) of the Code. The Statutory Compliance Period commenced during Property Tax Year ending September 30, 2005, the Property Tax Year in which the initial phase of the Project was placed in service, therefore the Investment Period will end on September 30, 2015.

- (b) Except as expressly amended hereby, the terms and provisions of the Original FILOT Agreement shall remain unchanged and in full force and effect.

Section 3. Entire Understanding. The Original FILOT Agreement, as amended by this First Amendment, express the entire understanding and all agreements of the parties hereto pertaining to the matters set forth herein and therein.

Section 4. Severability. In the event that any clause or provisions of this First Amendment shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 5. Multiple Counterparts. This First Amendment may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

*[Signature Page to Follow]*

IN WITNESS THEREOF, the parties hereto, each after due authorization, have executed this First Amendment to Fee in Lieu of Tax and Incentive Agreement to be effective as of December 1, 2011.

BARNWELL COUNTY, SOUTH CAROLINA

By: Travis Black  
Travis Black, Chairman, County Council,  
Barnwell County, South Carolina

[SEAL]

Attest:

By: Kim Futrell  
Kim Futrell, Clerk to County Council  
Barnwell County, South Carolina

KRONOTEX SC, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_