FOUNTAIN INN
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Agenda

Fountain Inn, South Carolina
Regular City Council Meeting
Thursday, August 12, 2021 - 5:30 PM

1. Call to Order - Mayor McLeer

2. Executive Session

    a. For the discussion of matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the City concerning Project Grind.

       After coming out of Executive Session, Council may vote on items discussed during Executive Session.

3. Invocation - Pastor Shawn Hevener, Presbyterian Fellowship of Fountain Inn

4. Pledge of Allegiance

5. Public Forum - Persons wishing to speak may signup 15 minutes prior to the meeting. Signups will be on a first come, first served basis. Your remarks will be limited to 3 minutes.

6. Consent Agenda - There will be no discussion of Consent Agenda items unless a Council member so requests, in which event the item in question will be considered separately.

    a. Approve July 9, 2021 Minutes

7. City Administrator's Report - Shawn M. Bell

    a. July Report

8. Unfinished Business

    a. Second Reading, Ordinance 2021-7 IPRB - An ordinance providing for an installment plan of finance for certain capital projects and improvements.

FOIA Compliance – Public notification of this meeting has been published, posted, and distributed in compliance with the Freedom of Information Act and the City of Fountain Inn's requirements.

b. Second Reading, Ordinance 2021-8 - Municipal Service agreement - Duke Energy Carolinas, LLC

c. Second Reading, AX 2021-3 - Rudolph G. Gordon School, 1507 Scuffletown Road, Simpsonville

9. New Business

a. First Reading - AX 2021-4 Fox Hill Farms

b. First Reading - Ordinance 2021-9 Lease Purchase

10. Adjourn

FOUNTAIN INN
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Minutes

Fountain Inn, South Carolina
Regular City Council Meeting
Thursday, July 8, 2021 - 6:00 PM

1. Call to Order- Mayor McLeer

Mayor McLeer called the meeting to order.

All Councilmembers were present except Councilmember Clemmer.

Staff present: Shawn Bell, Greg Gordos, Eduardo Noriega, Ronnie Myers, Russell Slatton, Rebecca Mejia-Ward, Melissa Woods and Sandra Woods

Visitors: 16

2. Invocation

Councilmember Dearybury gave the invocation.

3. Pledge of Allegiance

4. Public Forum- Persons wishing to speak may sign up 15 minutes prior to the commencement of the meeting. Signups will be on a first-come, first-served basis. Your remarks will be limited to 3 minutes.

Marie Conroy, Quail Run - Stated her concerns against tree removal in new development areas.

5. Presentation

a. Police Department - New Employee Introduction

Captain Melissa Woods introduced two new employees. Police Officers John Schmidt and Alicia Drozdoski.

b. Blake Sanders - Sanctified Hill Park

Blake Sanders with Studio Main presented the Sanctified Hill Park Master Plan.

6. Consent Agenda- There will be no discussion of Consent Agenda items unless a Councilmember so requests in which event the item in question will be considered separately.

a. Approve June 3, 2021, Called Council Meeting Minutes
Approve June 10, 2021, Regular Council Meeting Minutes
Approve May 2021 Preliminary Financial Report

Motion by Councilmember Thomason, second by Councilmember Cunningham to Approve the consent agenda as presented.

Roll Call Vote:
Aye: Mayor McLeer, Councilmember Mahony, Councilmember Thomason, Councilmember Dearybury, Councilmember Cunningham, Councilmember Blackstone

Nay: None

The motion carried unanimously 6/0.

7. City Administrator's Report- Shawn M. Bell

Mr. Bell gave a report of June activities by department.

a. June Reports

8. Unfinished Business -

a. Second Reading - AX 2021-1 - Pine Ridge Subdivision to annex 28.79 acres on N. Nelson Drive and Old Fairview Road into the city limits of Fountain Inn; zone TMS# 0342000100600 to R-10, Residential District and assign parcel to Council Ward 5.

Shawn Bell stated AX 2021-1 would annex 28.79 acres on N. Nelson Drive and Old Fairview Road into the city limits of Fountain Inn; zone TMS #0342000100600 to R-10, Residential District and assign parcel to Council Ward 5. The Planning Commission voted unanimously 4/0 to approve the annexation at the April 5, 2021 meeting. No one spoke in opposition.

Motion by Councilmember Blackstone, second by Councilmember Dearybury to Approve on second Reading - AX 2021-1 - Pine Ridge Subdivision.

Roll Call Vote:

Aye: Mayor McLeer, Councilmember Mahony, Councilmember Thomason, Councilmember Dearybury, Councilmember Cunningham, Councilmember Blackstone

Nay: None

The motion carried unanimously 6/0.

b. **Second Reading - Ordinance 2021-6 - An Ordinance of the City of Fountain Inn authorizing the sale of a parcel of land owned by the city on Main Street, being known as a portion of Greenville County TMS# 0325000100700 to the Nelson Company, LLC and retaining a Natural Gas easement.**

Mr. Bell explained that ordinance 2021-6 authorizes the sale of a parcel of land owned by the City of Fountain Inn on Main Street, TMS#0325000100700 to the Nelson company, LLC and retaining a Natural Gas Easement. The city secured a MAI appraisal on the property that determined the fair market value of the property is $10,000. The City believes that the portion of the property to be sold should be declared surplus; that the sale price for the property must be $10,000 payable at closing and the Nelson company LLC must execute an easement, satisfactory to the City, for the natural gas facility currently existing on the property.

Motion by Councilmember Dearybury, second by Councilmember Mahony to Approve on Second Reading - Ordinance 2021-6.

Roll Call Vote:

Aye: Mayor McLeer, Councilmember Mahony, Councilmember Thomason, Councilmember Dearybury, Councilmember Cunningham, Councilmember Blackstone

Nay: None

The motion carried unanimously 6/0.

9. New Business -

a. First Reading - Ordinance 2021-7 IPRB - An ordinance providing for an installment plan of finance for certain capital projects and improvements.

Ray Jones with Parker Poe reviewed Ordinance 2021-7 with Council and explained the language and attachments.

Motion by Councilmember Cunningham, second by Councilmember Blackstone to Approve on First Reading - Ordinance 2021-7 IPRB.

Roll Call Vote:

Aye: Mayor McLeer, Councilmember Mahony, Councilmember Thomason, Councilmember Dearybury, Councilmember Cunningham, Councilmember Blackstone

Nay: None

The motion carried unanimously 6/0.

b. First Reading - Ordinance 2021-8 - Municipal Service Agreement - Duke Energy Carolinas, LLC

Mr. Bell stated that Ordinance 2021-8 authorizes the city to enter into an updated standard Municipal Service Agreement for the provision of electric service with Duke Energy Carolinas, LLC, concerning the grant of a franchise fee to use the public streets of the City for the provision of electricity. The franchise fee is 5%. This agreement will need to be renewed in 10 years.

Motion by Councilmember Thomason, second by Councilmember Blackstone to Approve on First Reading - Ordinance 2021-8 - Municipal Service Agreement - Duke Energy Carolinas, LLC.

Roll Call Vote:

Aye: Mayor McLeer, Councilmember Mahony, Councilmember Thomason, Councilmember Dearybury, Councilmember Cunningham, Councilmember Blackstone

Nay: None

The motion carried unanimously 6/0.

c. R 2021-8 - MASC Retail Recruitment Training Program

Mr. Bell stated that R 2021-8 states that the Fountain Inn City Council hereby supports the City's application to the Municipal Association of South Carolina Retail Recruitment Training Program in partnership with The Retail Coach and commits to provide a program fee of $5,000 to cover the cost of the program if the City is selected to participate.

Motion by Councilmember Mahony, second by Councilmember Cunningham to Approve R 2021-8.

Roll Call Vote:

Aye: Mayor McLeer, Councilmember Mahony, Councilmember Thomason, Councilmember Dearybury, Councilmember Cunningham, Councilmember Blackstone

Nay: None

The motion carried unanimously 6/0.

10. Adjourn

Motion by Councilmember Mahony, second by Councilmember Cunningham to Adjourn.

Roll Call Vote:

Aye: Mayor McLeer, Councilmember Mahony, Councilmember Thomason, Councilmember Dearybury, Councilmember Cunningham, Councilmember Blackstone

Nay: None

The motion carried unanimously 6/0.

Sandra A. Woods

Sandra Woods, CMC
City Clerk

FOIA Compliance – Public notification of this meeting has been published, posted, and distributed in compliance with the Freedom of Information Act and the City of Fountain Inn's requirements.

CITY ADMINISTRATOR REPORT

Agenda Date: August 12, 2021

To: Mayor and City Council

From: Shawn M. Bell, ICMA-CM
City Administrator

Administration

- Woodside Village
    - Waiting on next steps from Mr. Jain
- Woodside Streetscape
    - Utility coordination ongoing with Duke; SCDOT is hoping to have utilities certified by October 1
    - Proposed Let Date: January 2022
- Woodside Connector
    - Final Construction Plans set to be complete by Fall 2021
    - Proposed Let Date: February 2022
        - Construction beginning in Summer 2022 depending on project funding
        - Will be applying to the Greenville County Transportation Committee for the projected shortfall in funding
- New FING/Public Works Facility
    - Agreement has been executed; design process to begin shortly
- Main Street Streetscape (Jones to 418)
    - Design & permitting consultant is being procured
- Redistricting
    - The official release of the 2020 Census data is expected on September 30 and the SC Revenue and Fiscal Affairs Office will be providing the City with a preliminary report of key data and information shortly thereafter.
    - Will be scheduling a public meeting with City Council and SC Revenue and Fiscal Affairs to discuss key issues affecting our upcoming redistricting process.

Special Events

- Farmers Market
    - May 22 – August 28; Saturdays from 8:00 a.m. – noon
- Sounds of Summer
    - June 4 – August 27; Fridays from 7:00 p.m. – 9:30 p.m.
    - Fountain Inn High School Parade on August 27
        - Starting at High School and ending in Commerce Park right before Sounds of Summer Season finale

- Jeff Lynch Bike Night
    - September 11 from 6:00 p.m. – 10:00 p.m.
- Fall Market
    - September 18 – October 23; Saturdays from 8:00 a.m. – noon
- Fall Music Series
    - October 1-29; Fridays from 7:00 p.m. – 9:30 p.m.
- Halloween Movie Night
    - October 30 from 7:00 p.m. – 9:00 p.m.
- Christmas Inn Our Town
    - IPCO has already committed to be our $5,000 Carriage Sponsor

Human Resources

- Personnel
    - Administration:
        - Public Relations Manager – Hired, started August 2
        - Finance Manager – Offer made and accepted
        - Staff Accountant – Interviews scheduled for September 1
    - Police:
        - Patrol Officers – Four candidates in final pre-screen stage
        - Codes Enforcement – Offer made and accepted
        - Victim's Advocate (Restructure) – Completed
    - Pubic Works:
        - CDL Driver – One candidate in pre-screening stage
        - Facilities Maintenance Supervisor – Interviews scheduled for August 18
        - Maintenance Worker I – Temp to Full time hire currently in pre-screening
        - Office Coordinator – Offer made/pending acceptance
    - Planning & Development:
        - Business License Technician – Offer made and accepted
    - Parks & Recreation:
        - Recreation Coordinator – Offer made/pending acceptance
        - Part Time Special Events, Sporting Events, Rentals – Four offers extended and in pre-screening stage
    - Natural Gas
        - Maintenance Technician II – Interviews held on August 10
        - Crew Leader – Posting in progress

Natural Gas

- Deliveries for July 2021
    - Gas volume of 37,803 Dekatherms

    - Gas consumption for July 2021 was up over 2.3% from July 2020 and up over 9.5% from the five-year average
- Services for July 2021
    - 20 new applications for service
    - 10,137 active customers
    - 16,013 feet of new service lines have been installed year-to-date
    - 22,053 feet of new gas main lines have been installed year-to-date
- Gas Prices/Rates
    - The price of natural gas for August settled at $4.044 per Dekatherm, which represents a $0.43 increase over July's price
    - The price of gas has gone up $1.90 per Dekatherm since August 2019

Parks & Recreation

- Registration for Fall Volleyball ends August 17
- Miracle League
    - Opening Night set for August 17
    - Two teams of five players each

Planning & Development

- July 2021 Permitting
    - 74 construction permits with total valuation of $13,107,924
    - 122 inspections

Public Works

- Sanitation
    - Garbage and recycling are on schedule
    - Yard debris has fallen behind due to one of the trucks being in the shop; working diligently to get on schedule
    - Intention is to a launch a pilot program using roll carts to collect yard debris to make collection more efficient
- Streets & Grounds
    - Replaced sidewalk in front of City Hall; more improvements to come
    - SCDOT cleaned the gutters in Main Street and SC-418
    - New lights have been installed under the trees downtown; colors can change for special occasions and holidays

Fire

- EMT Training

    - Beginning on August 31st, nine Firefighters will start EMT training in-house to get all Fountain Inn Firefighters certified as EMTs in the next few years

<u>Police</u>

- Code Enforcement
    - Lieutenant Bobby Nelson is supervising the newly created division
    - Officer Eva Kantzios has been promoted as the City's first full-time Code Enforcement Officer
    - Code.Enforcement@fountaininn.org email address has been created

<u>Younts Center</u>

- Annual Fundraiser
    - Edwin McCain on August 13 at 8:00 p.m.

<u>Chamber of Commerce</u>

- Business After Hours
    - August 19 at 5:30 p.m. at WingNutz
    - September 21 at 5:30 p.m. at SC Wholesale Mattress
- Women @ Work
    - August 24 from 8:30-9:30 a.m. at Nirvana Cultural Center
    - September 28 from 8:30-9:30 a.m. at Commerce Park
- 38th Annual Aunt Het Fall Festival
    - October 2
- Sporting Clay Tournament at The Clinton House
    - November 5
- 2021 Annual Christmas Parade
    - December 8 at 5:30 p.m.

City Clerk/HR Specialist

August 1, 2021

Council:

November 2021 Election – Filing Dates for Council Ward Seats 1, 3 and 5 will begin July 15th at noon and end on August 16th at noon. A meeting has been scheduled with the Election Commission on August 16th at 2pm to certify the candidates.
More information at www.fountaininn.org.

Statement of Candidacy's Filed:
Ward 1: None
Ward 3: AJ Dearybury and Joey Garrett
Ward 5: Anthony Cunningham and John Don

Council Ward Redistricting – Shawn has started the process of redistricting with the SC Revenue and Fiscal Affairs Office.

Census Data is expected to be released on September 30, 2021. A meeting will be scheduled with council and the public to hear the preliminary report of key data.

Regional Advocacy Meetings –
September 21st, Spartanburg
October 5th, Greenwood

Finance - I am transitioning out of Finance and moving into the new HR Specialist role this month.

Human Resources – Looking forward to working more closely with Rebecca on the HR side.

Thank you,

Sandra Woods
City Clerk/HR Specialist

Period Ending: July 2021
Submitted by Naomi Reed, Assistant City Administrator

Status Report and Project Updates

Special Events

- Met with Kate Kizito to transition managerial responsibility of the department. Heather Cannon and Ellen Lane created information and update memos to Kate that included the 2021 schedule for the remainder of the year, upcoming projects, and departmental challenges.
- Priorities:
  - Christmas Inn Our Town: Department working on a plan to address the issues related to the carriage ride company.
  - Bike Night: Meeting will be scheduled with all departments to coordinate event logistics.
  - Website: Kate is reviewing website access and meeting with departments to discuss needs and address individual access.

Finance

- Fire Operating Millage – Greenville County approved the additional operating fire millage and will be assessed on the tax notices that
- Procurement Policy – priorities shifted due to medical leave and will be revisited and presented for consideration this year.
- Budget Boot Camp – Planning a Department Head Retreat on October 15, 2021, where we will clarify budget expectations and other topics.
- Audit Scheduled – Site visit scheduled for October 2021.
- iWork – Department deadline to fully transition to iWork for permitting did not stay on track during my absence. The department will not accept permits in Smart Fusion beginning 9/1
- Merchant Service – Consolidating merchant services to maximize savings. Projected to save 17% ($16,800 annually) in credit card processing fees.
- Proposed Budget Calendar attached
- RIA Grant – working with AP to get payments caught up to submit reimbursement requests
- Purchasing
  - RFP's
    - 2021-007 Engineering and Landscape Services
      - Closes 8/26/2021
  - RFQ - none
  - IFB – none

- Business License – Rebalancing complete. MASC noted three businesses and that will require reclassification. Meeting scheduled for Thursday, August 12, 2021, to discus and submit final rebalancing schedule.
- Monthly Financial Reports –New monthly report will be submitted for Council Approval starting in September.
- 2021 IPRB – City and Facilities Corp reviewed bank bids and selected Bank of Travelers Rest to Finance.
    - ➢ Requires reissuance of GO Bond Debt
- ARP Funding Plan – Department Head Meeting Scheduled to discuss.
    - ➢ Staff will present recommendations to City Administrator.
- Public Works User Fees Updated – sent to both Counties.
- Financials – working with department to fix errors while out on extended medical leave.

IT

- Working with departments to purchase 2021 IT Equipment as approved.

August 2021 - Priorities

Department Staff Meeting

- *ARP Funding*
- *Project Prioritization*

IPRB

- *Finalize Reporting 2019 IPRB*
- *Second task or achievement*
- *Third task or achievement*

Financial Reports

- *Hospitality Tax Update*
- *FY 2021 – Prelim Financial Report – due by 8/31*
- *Third task or achievement*

Fire Bond

- *Revisit Conversation with advisors*

Chamber of Commerce

- *Meet with Chamber President to discuss agreement*

Compliance

- *US Census Report*
- *County Debt Report*
- *SC State Treasurer – Court Reports*
- *Unclaimed Property – due October 1, 2021*

FOUNTAIN INN FIRE DEPARTMENT
Headquarters – 200 N Main Street • Fountain Inn, SC 29644 • 864-862-0010 • Fax 864-409-0164
Fire Chief Ronnie Myers

Fountain Inn Fire Report to

Mayor and City Council

Month of July 2021

(1) The Fire Department responded to 244 calls. (See graft below)
(2) A total of $978.92 was spent on vehicle maintenance.
(3) The cost of fuel was $1930.78
(4) A Firefighter has been hired to fill vacancy on B-Shift
(5) We had 7 firefighters awarded Resuscitation Save Certificates. These saves occurred during 2019 and 2020.
(6) August 31st we will be training inhouse, nine of our firefighters to be EMT'S. This is our goal of certifying all firefighters to be EMT's in the next couple of years.
(7) The Fire Department is a Child Safety Seat Inspection Station. We conduct inspections every Fourth Monday of each month 4 pm-8 pm.
(8) Budget in good shape.

Fountain Inn Fire Department

Fountain Inn, SC

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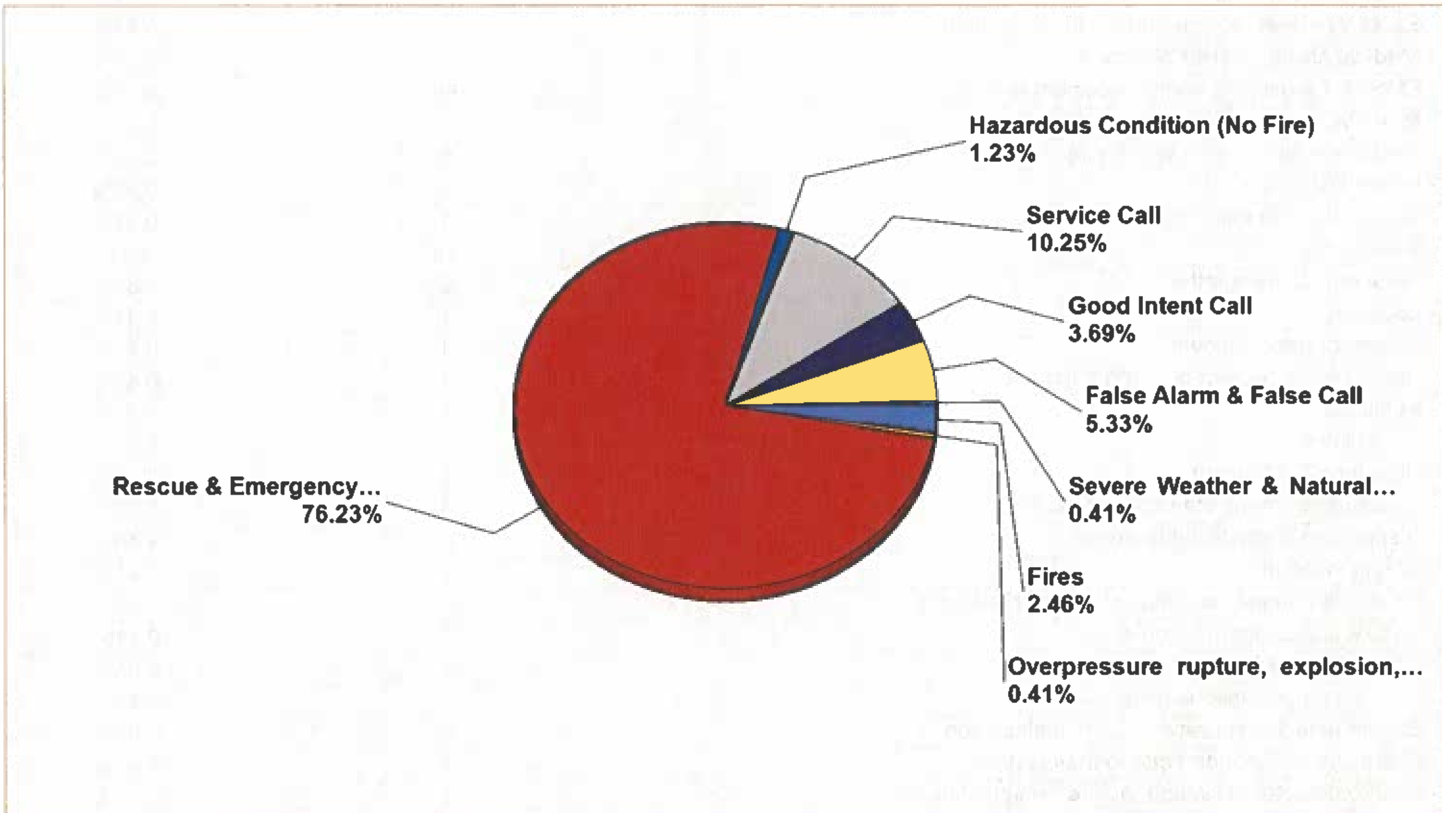
Breakdown by Major Incident Types for Date Range

Zone(s): All Zones | Start Date: 07/01/2021 | End Date: 07/31/2021



MAJOR INCIDENT TYPE	# INCIDENTS	% of TOTAL
Fires	6	2.46%
Overpressure rupture, explosion, overheat - no fire	1	0.41%
Rescue & Emergency Medical Service	186	76.23%
Hazardous Condition (No Fire)	3	1.23%
Service Call	25	10.25%
Good Intent Call	9	3.69%
False Alarm & False Call	13	5.33%
Severe Weather & Natural Disaster	1	0.41%
TOTAL	244	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.

Detailed Breakdown by Incident Type		
INCIDENT TYPE	# INCIDENTS	% of TOTAL
111 - Building fire	1	0.41%
113 - Cooking fire, confined to container	2	0.82%
121 - Fire in mobile home used as fixed residence	1	0.41%
131 - Passenger vehicle fire	1	0.41%
142 - Brush or brush-and-grass mixture fire	1	0.41%
251 - Excessive heat, scorch burns with no ignition	1	0.41%
311 - Medical assist, assist EMS crew	114	46.72%
321 - EMS call, excluding vehicle accident with injury	59	24.18%
322 - Motor vehicle accident with injuries	7	2.87%
324 - Motor vehicle accident with no injuries.	6	2.46%
444 - Power line down	2	0.82%
445 - Arcing, shorted electrical equipment	1	0.41%
500 - Service Call, other	10	4.1%
510 - Person in distress, other	2	0.82%
511 - Lock-out	1	0.41%
531 - Smoke or odor removal	1	0.41%
551 - Assist police or other governmental agency	1	0.41%
553 - Public service	3	1.23%
554 - Assist invalid	3	1.23%
561 - Unauthorized burning	1	0.41%
571 - Cover assignment, standby, moveup	3	1.23%
611 - Dispatched & cancelled en route	6	2.46%
621 - Wrong location	1	0.41%
622 - No incident found on arrival at dispatch address	1	0.41%
651 - Smoke scare, odor of smoke	1	0.41%
700 - False alarm or false call, other	5	2.05%
710 - Malicious, mischievous false call, other	1	0.41%
733 - Smoke detector activation due to malfunction	2	0.82%
735 - Alarm system sounded due to malfunction	1	0.41%
743 - Smoke detector activation, no fire - unintentional	1	0.41%
744 - Detector activation, no fire - unintentional	1	0.41%
745 - Alarm system activation, no fire - unintentional	2	0.82%
800 - Severe weather or natural disaster, other	1	0.41%
TOTAL INCIDENTS:	244	100%

Only REVIEWED and/or LOCKED IMPORTED incidents are included. Summary results for a major incident type are not displayed if the count is zero.

CITY OF FOUNTAIN INN
DETAIL ACCOUNT INQUIRY BY FUND

FY 2021-2022

PERIOD: 07/01/2021 TO 07/31/2021

100-422-435-001 VEHICLE MAINTENANCE	BUDGET	PERIOD TO DATE	ENC AMT	REM BAL
	35,000.00	973.62	0.00	34,026.38

DATE	MOD	REFERENCE	JE # or VOUCHER#	CHECK#	DEBIT	CREDIT	BALANCE
		BALANCE FORWARD					0.00
07/15/2021	AP	SAFE INDUSTRIES INV56966 LABOR, WATER GAUGE, SUPPLIES	157834		724.26		724.26
07/15/2021	AP	O'REILLY AUTO PARTS 4562-196994 CAR CHARGER, TAIL LIGHT	157721	166520	60.39		784.65
07/28/2021	AP	O'REILLY AUTO PARTS 4562-200485 BATTERY	158071	166582	194.27		978.92
07/28/2021	AP	O'REILLY AUTO PARTS 4562-200491 CORE RETURN	158072	166582		5.30	973.62
		SUBTOTALS FOR ACCOUNT 100-422-435-001 :			978.92	5.30	
					978.92	5.30	

Fuel Report-Summary by Sub-Agency

By: Actual Transaction Dates 6/30/2021 to 7/31/2021

South Carolina

Report is restricted to City of Fountain Inn

Agency	Level 1	Level 2	Purchase	Quantity	
T23001 City of Fountain Inn					
	ADMIN		Fuel:	25.19	$66.22
	FIRE		Fuel:	665.84	$1,811.90
	FIRE DEPT		Fuel:	44.32	$118.88
	GAS		Fuel:	1,031.83	$2,762.80
	Gas Dept		Fuel:	188.91	$500.66
	POLICE		Fuel:	2,026.22	$5,394.64
	POLICE		Other:	29.03	$87.20
	PUBLIC WORKS		Fuel:	97.08	$256.95
	REC MOWER		Fuel:	25.43	$68.05
	RECREATION		Fuel:	103.69	$275.26
	Sanitation		Fuel:	386.52	$1,036.38
	SEWER		Fuel:	425.02	$1,150.25
	SOLID WASTE		Fuel:	232.92	$628.47
	STREETS		Fuel:	880.10	$2,385.63
	STREETS		Other:	2.73	$6.82
			Total for T23001:	**6,164.85**	**$16,550.11**
			Grand Total:	**25.19**	**$16,550.11**

July Fuel Cost #1930.78

BUDGET REPORT BY ACCOUNT - EXPENDITURE
Fiscal Year Start Date: 07/01/2021
Current Period End Date: 07/31/2021

City Of Fountain Inn
FY 2021-2022
Ideal Remaining Percent: 92 %

Account		Budgeted	Current	Year To Date	Encumbrance	Remaining Balance	PCT
100-422-110-001	Salaries - Fire	1,142,616.24	35,789.69	35,789.69	0.00	1,106,826.55	97
100-422-110-004	Salaries - Sleep Time	0.00	552.89	552.89	0.00	-552.89	0
100-422-130-001	Overtime	6,000.00	0.00	0.00	0.00	6,000.00	100
100-422-130-003	Salaries - Special Events	0.00	612.50	612.50	0.00	-612.50	0
100-422-140-001	Year End Bonus	6,891.70	0.00	0.00	0.00	6,891.70	100
100-422-210-001	Employee Health Insurance	188,118.00	0.00	0.00	0.00	188,118.00	100
100-422-213-001	Health Screening	5,000.00	0.00	0.00	0.00	5,000.00	100
100-422-220-002	Payroll Taxes - Social Security/	88,396.36	2,718.26	2,718.26	0.00	85,678.10	97
100-422-230-001	State Retirement	217,902.56	0.00	0.00	0.00	217,902.56	100
100-422-260-001	Workers Compensation	42,089.96	9,911.24	9,911.24	0.00	32,178.72	76
100-422-261-001	Workers Comp Deductible	2,500.00	0.00	0.00	0.00	2,500.00	100
100-422-270-001	Drug Testing / Physical/Screen	5,000.00	0.00	0.00	0.00	5,000.00	100
100-422-430-001	Portable Radio Maintenance	2,000.00	63.60	63.60	0.00	1,936.40	97
100-422-430-005	Operating Equipment Mainten:	16,000.00	1,486.83	1,486.83	0.00	14,513.17	91
100-422-431-001	Station Maintenance	20,000.00	460.58	460.58	0.00	19,539.42	98
100-422-431-002	Landscaping	1,150.00	93.94	93.94	0.00	1,056.06	92
100-422-432-001	Computer Support	24,000.00	1,133.09	1,133.09	0.00	22,866.91	95
100-422-435-001	Vehicle Maintenance	35,000.00	973.62	973.62	0.00	34,026.38	97
100-422-471-003	2018 Lease Purchase Principa	6,621.75	0.00	0.00	0.00	6,621.75	100
100-422-471-004	2018 Lease Purchase Interest	408.72	0.00	0.00	0.00	408.72	100
100-422-471-005	2019 Iprb Principal	126,000.00	0.00	0.00	0.00	126,000.00	100
100-422-471-006	2019 Iprb Interest	37,516.00	0.00	0.00	0.00	37,516.00	100
100-422-520-001	General Liability - Scmirf	28,000.00	0.00	0.00	0.00	28,000.00	100
100-422-530-001	Telephone	7,400.00	0.00	0.00	0.00	7,400.00	100
100-422-530-002	Cell Phones	1,500.00	0.00	0.00	0.00	1,500.00	100
100-422-580-002	Conferences	7,000.00	0.00	0.00	0.00	7,000.00	100
100-422-583-002	Training	5,000.00	392.19	392.19	0.00	4,607.81	92
100-422-610-001	General Supplies	6,000.00	437.79	437.79	0.00	5,562.21	93
100-422-610-002	Office Supplies/Printing	5,800.00	0.00	0.00	0.00	5,800.00	100
100-422-610-003	Prevention	1,500.00	0.00	0.00	0.00	1,500.00	100
100-422-622-001	Utilities	15,000.00	658.19	658.19	0.00	14,341.81	96
100-422-626-001	Vehicle Gas	18,000.00	0.00	0.00	0.00	18,000.00	100
100-422-640-001	Publications Dues/Subscriptior	3,690.00	0.00	0.00	0.00	3,690.00	100
100-422-656-001	Uniforms	16,000.00	650.44	650.44	0.00	15,349.56	96
100-422-743-010	Scmit Grant	4,000.00	0.00	0.00	0.00	4,000.00	100
100-422-810-002	Innovapad Expenditures	13,000.00	0.00	0.00	0.00	13,000.00	100
100-422-860-015	Furniture, Fix.&Computers (No	7,500.00	0.00	0.00	0.00	7,500.00	100
Report Total Expenditure		**$2,112,601.29**	**$55,934.85**	**$55,934.85**	**$0.00**	**$2,056,666.44**	**97**

Memorandum

To: Fountain Inn Mayor & City Council
Shawn Bell, City Administrator
Sandra Woods, City Clerk

From: Eduardo Noriega
Fountain Inn Natural Gas Director

Date: August 6, 2021

The following is the gas department update for the month of July 2021.

- Delivery of natural gas
  - Gas volume purchases of 37,803.
  - Gas consumption for July was up over 2.3% from last July, and up over 9.5% from the July 5-year average.
- Service Applications
  - 20 applications for new service lines
- New main/service line installations
  - We have 10,137 new and active customers.
  - New gas main lines installed; 2021 YTD: 22,053 feet.
  - New service lines installed; 2021 YTD: 16,013 feet in service lines.
- Residential Developments
  - Heritage Crossing Phase I has been finished.
  - Work at Pine Ridge Place should start in the next few weeks.
  - We are in competition with Laurens CPW for a new development called Wells Creek Sub. In Laurens County, corner of Wells Rd. and Bryson Ford Rd.
- Gas Supply
  - The price of natural gas for the month of August settled at $4.044 per Dekatherm, this represents an increase over July's price of $0.43 per Dekatherm. The price of gas has gone up $1.90 per Dekatherm since August of 2019.
- Gas Operations
  - The annual public awareness safety phone survey was successfully completed. The following are some of the key results:

- 15,000 phone calls were made to customers and non-customers.
- 1,793 respondents participated in the survey, which is 11.96% of households contacted.
- 1,471 respondents completed the entire survey, which is 9.81% of all households.
- 94.23% of respondents are familiar with SC811 and will call it before digging.
- 94.77% of respondents know how gas smells, will leave the area, and call for help.
- Only 35.54% of respondents have read about natural gas safety on Co. website od social media. Now that we have a PR Director this will improve, I'm working with her on an aggressive gas safety social media campaign.

- Heath and Associates, the engineering designing the 6" high pressure steel main line to connect the FING-CNN interconnect station to our high-pressure line has been working on the design and should be completed in 60 days.

- SC/NC Gas Rates Comparisons
  The rate comparison for the Carolinas Gas systems-July 2021 Rates was not collected. Traditionally it's not done during the middle of the summer.

City of Fountain Inn - Human Resources Monthly Report - July 2021

Home Department**	June Headcount	July Hires / Transfers In	July Terms	July Transfers Out	July Headcount	DIVERSITY Asian	Black or African American	Hispanic or Latino	White	Pacific Islander
000411 / Administration	6	0	0	0	6	0	1	1	4	0
000412 / Judicial	5	0	0	0	5	0	1	0	3	1
000413 / Council	7	0	0	0	7	0	1	0	6	0
000414 / Special Events	4	0	0	0	4	0	0	0	4	0
000421 / Police	35	0	0	0	35	0	3	1	31	0
000422 / Fire	26	**1**	0	0	27	0	1	0	26	0
000424 / Public Works	12	**1**	0	0	13	0	4	0	9	0
000435 / Planning & Development	2	0	0	0	2	0	0	0	2	0
000434 / Sewer	2	0	0	0	2	0	0	0	2	0
000451 / Recreation	17	0	0	0	17	0	4	0	13	0
000510 / Gas Department	20	0	0	0	20	0	0	1	19	0
Totals:	**136**	**2**	**0**	**0**	**138**	**0**	**15**	**3**	**119**	**1**

**Based on Home Departments

Recruitment Status	**Total Applications Received: 245**	**# of Apps**
411 Administration:	**Finance Manager OFFER MADE & ACCEPTED, Staff Accountant INTERVIEWS 9/1/21**	19/29
414 Special Events:	**Public Relations Manager** -Hired! Start Date 8/2/2021	N/A
421 Police:	**Patrol Officers (3)**; Four candidates in final pre-screen stage	51
	Codes Enforcement - OFFER MADE & ACCEPTED (Internal Posting/Kantzios)	1
	Victim's Advocate Restructure Completed (Miller)	N/A
	Posting In Process: Dispatch	
424 Public Works:	**CDL Drivers -** One candidate in pre-screening stage	1
	Facilities Maintenance Supervisor INTERVIEWS 8/18/21	27
	Maintenance Worker I - Temp to full time hire currently in pre-screening	N/A
	Office Coordinator - OFFER MADE / PENDING ACCEPTANCE	N/A
425 Planning & Development	**Business License Technician - OFFER MADE & ACCEPTED**	50
451 Parks & Recreation	**Recreation Coordinator OFFER MADE / PENDING ACCEPTANCE**	37
	PART TIME Special Events, Sporting Events, Rentals - Four offers extended & in pre-screening stage	24
510 Gas	**Maintenance Technician II INTERVIEWS 8/10/21**	6
	Posting In Process: Crew Leader	

Law Enforcement
Fuel Expense and Vehicle Maintenance Report

FY 2021/2022	January	February	March	April	May	June	July	August	September	October	November	December	Total
Fuel / Mileage	$ -												$ -
100 (2006 300M)***							$ 63.71						$ 63.71
101 (2014 Charger)							$ 310.69						
102 (2006 Charger) ***							XXX						
103 (2017 Explorer)							$ 313.63						$ 313.63
104 (2020 Explorer)							$ 116.99						$ 116.99
105 (2007 Charger) ***							$ 28.93						$ 28.93
106 (2014 Charger)							$ 190.38						$ 190.38
107 (2014 Charger)							$ 307.72						$ 307.72
126 (2019 Durango)							$ 274.39						$ 274.39
109 (2018 Explorer)							$ 439.42						$ 439.42
110 (2008 Magnum) ***							$ 232.67						$ 232.67
111 (2010 Charger) ***							XXX						$ -
112 (2008 Charger) ***							$ 159.33						$ 159.33
113 (2020 Explorer)							$ 260.60						$ 260.60
114 (2020 Explorer)							$ 219.75						$ 219.75
62 (2020 F-150)							$ 52.12						$ 52.12
66 (2016 Explorer)							$ 249.92						$ 249.92
117 (2010 Charger) ***							XXX						$ -
118 (2010 Charger) ***							XXX						$ -
122 (2017 Explorer)							$ 116.99						$ 116.99
119 (2014 Durango)							$ 205.86						$ 205.86
121 (2014 Charger)							$ 330.67						$ 330.67
65 (2014 Charger)							$ 122.92						$ 122.92
64 (2009 Chevy)							$ 101.99						$ 101.99
124 (2018 Explorer)							$ 186.89						$ 186.89
123 (2018 Explorer)							$ 324.38						$ 324.38
125 (2018 Explorer)							$ 665.69						$ 665.69
63 (2014 Explorer)							$ 106.94						$ 106.94
127 (2020 Explorer)							$ 258.87						$ 258.87
Fuel Total							$ 5,641.45						$ 5,641.45

FY 2020/2021	January	February	March	April	May	June	July	August	September	October	November	December	Total
Vehicle Maintenance													
100 (2006 300M) ***													$0.00
101 (2014 Charger)													$ -
102 (2006 Charger) ***													$ -
103 (2017 Explorer)													$ -
104 (2020 Explorer)													$ -
105 (2007 Charger) ***							$4.55						$ 4.55
106 (2014 Charger)													$ -
107 (2014 Charger)													$ -
126 (2019 Durango)													$ -
109 (2018 Explorer)													
110 (2008 Magnum) ***				`									
111 (2010 Charger) ***							$220.00						
112 (2008 Charger) ***													$ -
113 (2020 Explorer)							$6.35						$ 6.35
114 (2020 Explorer)							$34.80						
62 (2020 F-150)													
66 (2016 Explorer)													$ -
116 (2008 Crown Vic) ***													
117 (2010 Charger) ***													$ -
118 (2010 Charger) ***													$ -
122 (2017 Explorer)													$ -
119 (2014 Durango)													$ -
121 (2014 Charger)													$ -
65 (2014 Charger)													$ -
64 (2009 Chevy)													$ -
124 (2018 Explorer)							$34.80						$ 34.80
125 (2018 Explorer)													$ -
123 (2018 Explorer)													$ -
63 (2014 Explorer)													$ -
Total		$0.00	$ -	$ -	$ -		$300.50	$ -		$ -	$ -	$ -	$300.50

***** Indicates Vehicles over 100,000**

FOUNTAIN INN POLICE DEPARTMENT
MONTHLY COUNCIL REPORT
JULY 2021

Crimes Against Property			
Burglary	**July**	**YTD**	
Total:	**3**	**25**	**July Clearance Rate 67%**
Active	0	0	**YTD Clearance Rate 36%**
Administratively Closed	1	16	
Cleared By Arrest	0	3	
Exceptionally Cleared	1	2	
Unfounded	1	4	
Larceny	**July**	**YTD**	
Total:	**21**	**129**	**July Clearance Rate 29%**
Active	0	0	**YTD Clearance Rate 28%**
Administratively Closed	15	93	
Cleared By Arrest	2	18	
Exceptionally Cleared	3	11	
Unfounded	1	7	
Motor Vehicle Theft	**July**	**YTD**	
Total:	**5**	**18**	**July Clearance Rate 20%**
Active	0	0	**YTD Clearance Rate 28%**
Administratively Closed	4	13	
Cleared By Arrest	0	2	
Exceptionally Cleared	0	0	
Unfounded	1	3	
Property Value	**July**	**YTD**	
Grand/Petit Larceny/Fraud	$ 55,787.00	$ 430,699.00	*Includes $40,025 from June, not reported*
Cleared/Recovered	$ 41,055.00	$ 265,543.00	*Includes $448 from June*
	July	**YTD**	
Total Calls for Service	1069	6642	
Business/Security Checks	9,841	67,731	
Number of Reports Written	270	1532	

Prepared by RPerry 8/10/2021

Crimes Against Persons			
Assault & Battery (Simple)	**July**	**YTD**	
Total:	**6**	**52**	**July Clearance Rate 33%**
Active	0	0	**YTD Clearance Rate 83%**
Administratively Closed	4	9	
Cleared by Arrest	1	15	
Exceptionally Cleared	1	27	
Unfounded	0	1	
Aggravated Assault	**July**	**YTD**	
Total:	**0**	**8**	**July Clearance Rate N/A**
Active	0	0	**YTD Clearance Rate 63%**
Administratively Closed	0	3	
Cleared by Arrest	0	5	
Exceptionally Cleared	0	0	
Unfounded	0	0	
includes 1 from June that was Adm.Closed, now Arrested(1)			
Domestic Violence	**July**	**YTD**	
Total:	**5**	**37**	**July Clearance Rate 100%**
Active	0	0	**YTD Clearance Rate 100%**
Administratively Closed	0	0	
Cleared by Arrest	3	19	
Exceptionally Cleared	2	14	
Unfounded	0	4	
Robbery	**July**	**YTD**	
Total:	**0**	**5**	**July Clearance Rate N/A**
Active	0	0	**YTD Clearance Rate 20%**
Administratively Closed	0	4	
Cleared by Arrest	0	1	
Exceptionally Cleared	0	0	
Unfounded	0	0	
Includes 1 from June, not charged; Adm.Closed			
Murder	**July**	**YTD**	
Total	**0**	**0**	**July Clearance Rate N/A**
Active	0	0	**YTD Clearance Rate N/A**
Administratively Closed	0	0	
Cleared by Arrest	0	0	
Exceptionally Cleared	0	0	
Unfounded	0	0	

TRAFFIC	July	YTD	
Citations	137	858	
Warnings	205	1209	*Includes 1 from June, not submitted*
Accidents	22	143	
Accidents/Private Property	6	44	
Driving Under the Influence 1st Offense	3	14	
Driving Under the Influence 2nd Offense	1	4	
Driving Under the Influence 3rd & Above	0	0	
Driving Under Suspension 1st Offense	11	69	
Driving Under Suspension 2nd Offense	5	28	
Driving Under Suspension 3rd & Above	3	18	
Failure to Stop for Blue Lights & Siren	3	21	

Narcotics Violations		
	July	YTD
Marijuana		
Simple Possession	4	52
Possession with Intent to Distribute	0	1
PWID within 1/2 mile of School	0	0
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Cocaine		
Possession	0	0
Possession with Intent to Distribute	0	1
PWID within 1/2 mile of School	0	0
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Crack Cocaine		
Possession	0	0
Possession with Intent to Distribute	0	0
PWID within 1/2 of School	0	0
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Methamphetamine		
Possession	1	14
Possession with Intent to Distribute	1	2
PWID within 1/2 mile of School	0	0
Distribution	0	3
Distribution Near School	0	0
Trafficking	0	2
Manufacturing	0	0
Controlled Substance		
Possession	2	8
Possession with Intent to Distribute	0	0
PWID within 1/2 mile of School	0	0
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Other Drugs		
Possession	0	2
Possession with Intent to Distribute	0	0
PWID within 1/2 mile of School	0	0
Distribution	0	0
Distribution Near School	0	0
Trafficking	0	0
Manufacturing	0	0
Possession of Drug Paraphernalia	5	55
Underage Alcohol Violations	0	5

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CITY OF FOUNTAIN INN
PUBLIC WORKS REPORT TO COUNCIL
MONTH OF JULY 2021

Sanitation

- Garbage and Recycling is on schedule, yard debris has fell behind due our second truck being in the shop. Team is working diligently to get back on schedule.
- Ordered and received Yard Debris roll carts. Intention is to launch a pilot program using roll carts to collect Yard Debris in an effort to make collection more efficient.

Streets and Grounds

- Replaced the sidewalk in front of City Hall. Will continue to make improvements to city hall including new floors in the entryway and hallways, sealing the parking lot, and updating interior decorations.
- SCDOT has completed cleaning the gutters on Main Street and SC-418.
- New lights have been installed under the trees downtown. Currently green and blue but will change for special occasions and holidays.

Utilities

- Continue to rehab our sewer system. Contractors are currently rehabilitating manholes and will shift to lining our mains in the coming weeks. Will be developing a plan for future rehabilitation and flushing of our system.

Public Works

- Briefed the Greenville County Transportation Committee about resurfacing SC-418.

Tuesday, August 10, 2021

Department: (Recreation)

What are the most significant accomplishments in your department in the last month?

Busy week for Recreation Department as we kicked off all our Fall Sports (minus Volleyball). Registration numbers continue to increase for all Recreation programs.

SUMMARY OF MONTHLY EVENTS.

Upcoming:

Miracle League Opening Night is set for August 17^{th} at 6pm. We ended up having two teams of (5) each. We will continue to take on participants if they would like to participate.

Interviews to fill Athletics Supervisor role start August 9^{th}

Fall Volleyball Registration closes August 17th

Ongoing Projects; Completed Projects:

Concrete, sod, and bleacher installation at Emanuel Sullivan Sports Complex Football Field is set to wrap up on Wednesday, August 11^{th}.

OBSTACLES- NONE

CAPITAL REQUESTS- NONE

FUTURE BUDGET NEEDS (*Please include a detailed explanation)*

OPEN POSITIONS:. Athletics Supervisor (Full-Time)

Other Notes/Questions/Problems/Issues of significance? *(note: please submit confidential issues directly to the City Administrator)*

Special Events

August Council Report

July Events

Independence Day Celebration - July 2nd went very well. We had the biggest crowd most of us have ever seen on Main Street. There were no incidents and all departments worked well together.

WSPA Zip Trip- We coordinated the WSPA Zip Trip to Fountain Inn. The news reporter felt like it was the best one yet and was impressed that everyone showed up on time and prepared! This was a great way to showcase all Fountain Inn has to offer.

Ongoing Events Series

Farmers Market

- May 22nd-August 28th 8-noon
- Crowds and vendors have continued to be good.

Fall Market

- September 18th-October 23rd
- Applications for this have gone live and we are reaching out to current vendors to see who is going to continue.
- Same event schedule as the summer

Sounds of Summer

- June 4th- August 27th 7-9:30
- Crowds and bands continue to be good.

SOS Fall Series

- October 1st-October 29th 7-9:30
- Bands are booked and we are working on food trucks.

Upcoming Events

Jeff Lynch Bike Night

- September 11th 6-10PM Main St
- Everything is ready for this event
- Meeting with Department heads for logistics is August 19th

Fountain Inn High School Parade- Working with the Ft Inn High School booster club to have the inaugural 1st game parade. The parade will start at the school and end at Commerce Park on August 27th.

Online and Social Media Analytics

Website

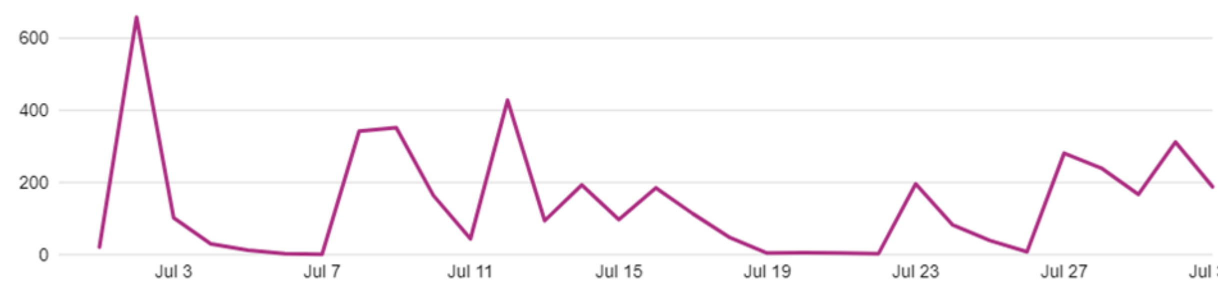
Top Five Searches for the month of July

- Fireworks
- Sounds of Summer
- Jobs
- Activities Center
- Residential/code enforcement

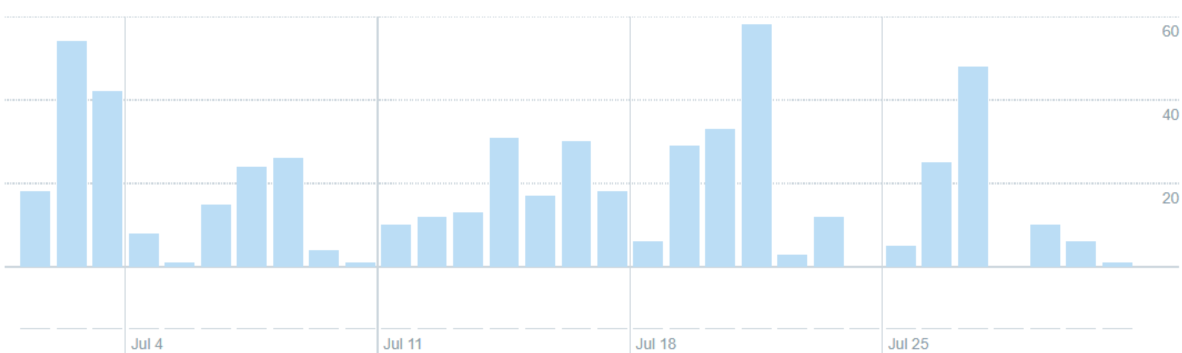
Social Media

Social Media Reach for the Month of July
Facebook -16,871 People

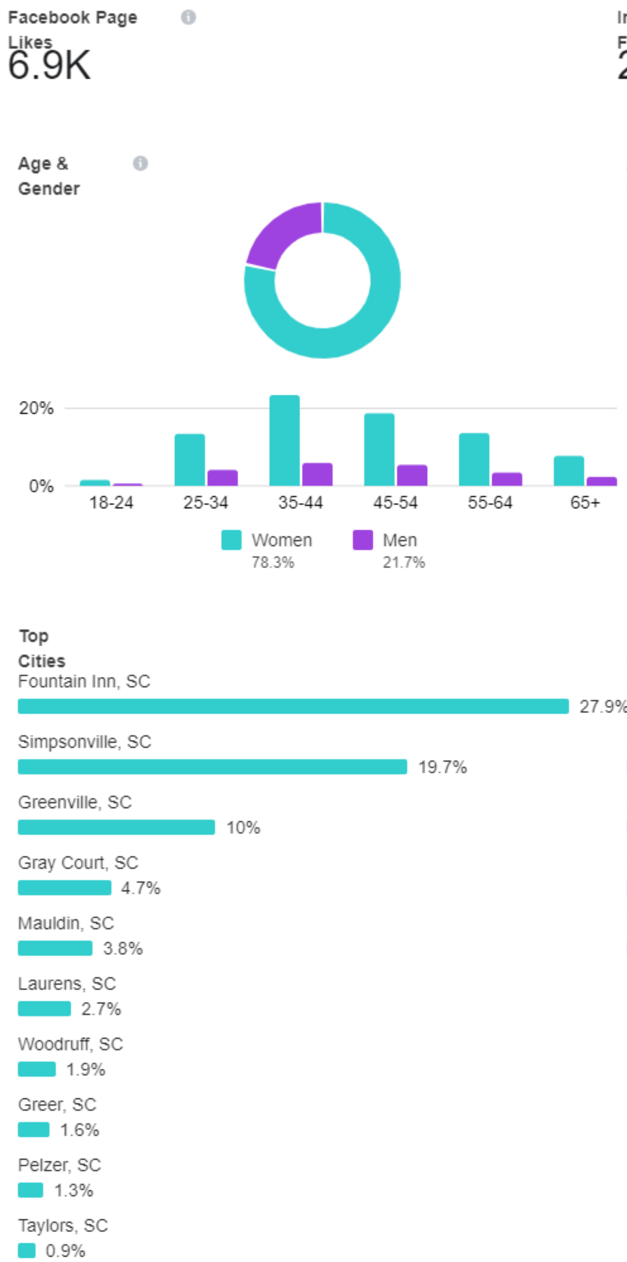
Instagram -1,136 People

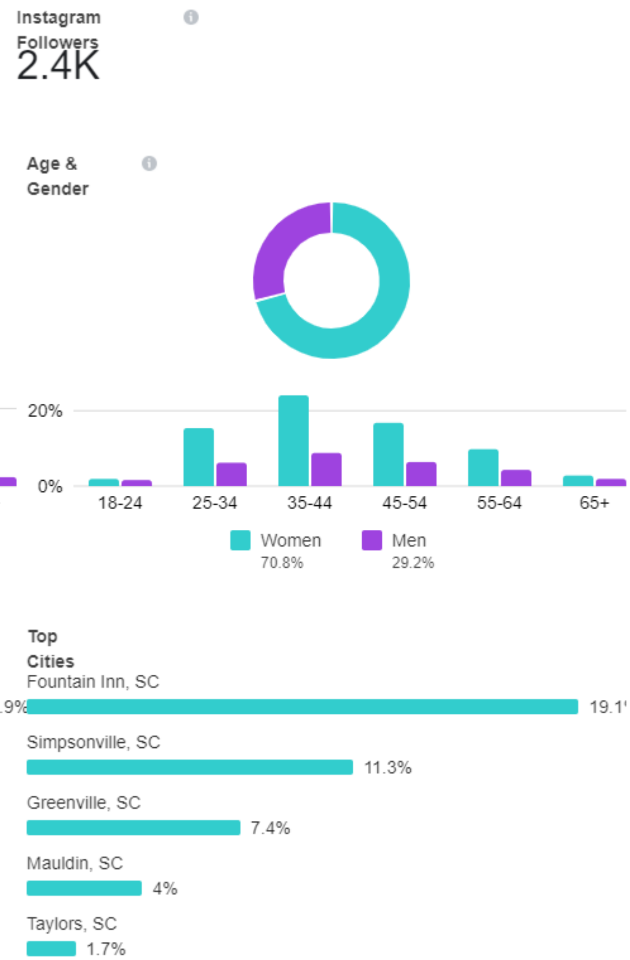


Twitter- 560 people



Demographics





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ZONING ADMINISTRATOR REPORT

Agenda Date: August 12, 2021

To: Mayor and City Council

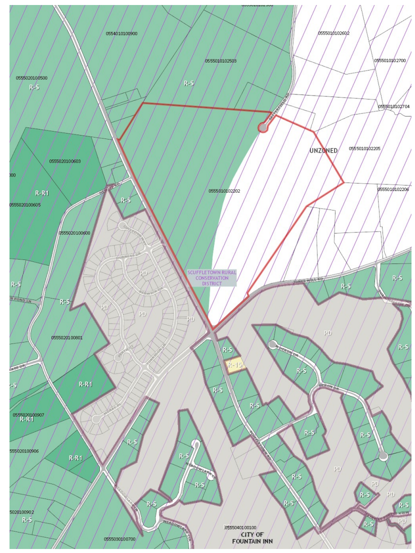
From: Gregory Gordos, Zoning Administrator

Annexations/Rezonings

via Planning Commission

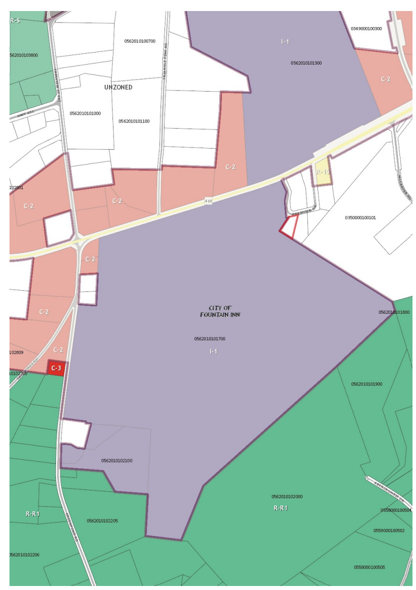
1 • **FI 2021-015**

- Public Hearing Date: 7/12/2021
- Address: Scuffletown Road
- TMS: P/O 0555010102202
- Applicant: Greenville County School District
- Owner: Greenville County School District
- **Current Zoning: R-S Residential Suburban; unzoned (Greenville County)**
- **Future Zoning: R-15 Residential District**
- Motion: to Approve, 5-0



2 • **FI 2021-017**

- Public Hearing Date: 8/2/2021
- Address: Brashier Drive
- TMS: 0562010101310
- Applicant/Owner: Fox Hill Greenville LLC
- **Current Zoning: unzoned (Greenville County)**
- **Future Zoning: I-1, Industrial District**
- Motion: to Approve, 4-0



Permitting

via Permit Specialist

- **July 1 through July 31**

TOTAL CONSTRUCTION PERMITS: **74**

- SINGLE FAMILY DETACHED: **41**
- SINGLE FAMILY ATTACHED: 8
- GARAGE: 1

TOTAL VALUATION: **$13,107,924.41**

INSPECTION REPORT TOTALS: **122 INSPECTIONS**

CITY OF FOUNTAIN INN, SOUTH CAROLINA

ORDINANCE NO. 2021-7

PROVIDING FOR AN INSTALLMENT PLAN OF FINANCE FOR CERTAIN CAPITAL PROJECTS AND IMPROVEMENTS; AUTHORIZING THE ISSUANCE OF NOT EXCEEDING, IN THE AGGREGATE, THE CITY'S CONSTITUTIONAL BONDED DEBT LIMIT IN GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, TAX-EXEMPT OR TAXABLE, TO ACQUIRE UNDIVIDED INTERESTS IN SUCH CAPITAL PROJECTS AND IMPROVEMENTS; AND OTHER RELATED MATTERS.

ADOPTED: [AUGUST 12], 2021

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AN ORDINANCE

PROVIDING FOR AN INSTALLMENT PLAN OF FINANCE FOR CERTAIN CAPITAL PROJECTS AND IMPROVEMENTS; AUTHORIZING THE ISSUANCE OF NOT EXCEEDING, IN THE AGGREGATE, THE CITY'S CONSTITUTIONAL BONDED DEBT LIMIT IN GENERAL OBLIGATION BONDS, IN ONE OR MORE SERIES, TAX-EXEMPT OR TAXABLE, TO ACQUIRE UNDIVIDED INTERESTS IN SUCH CAPITAL PROJECTS AND IMPROVEMENTS; AND OTHER RELATED MATTERS.

THE CITY OF FOUNTAIN INN, SOUTH CAROLINA, CITY COUNCIL ORDAINS:

SECTION 1. ***Findings.*** The City Council ("City Council") of the City of Fountain Inn, South Carolina ("City"), finds and determines that:

(a) It is necessary and desirable to acquire, design, construct, and equip a public works facility ("2021 Projects) and design, construct and install certain streetscape improvements ("Ancillary Projects" and together with the 2021 Projects, the "Capital Projects") in order for the City to carry out its governmental purpose and for the benefit and enjoyment of the citizens of the City;

(b) The City desires to utilize an installment plan of finance ("Installment Plan") to finance the Capital Projects, pursuant to which the City and the Fountain Inn Facilities Corporation ("Corporation"), a South Carolina nonprofit corporation, the sole purpose of which is to support the governmental mission of the City, will enter into certain agreements the terms of which will provide for: (i) the lease of certain real property as more particularly described in the Base Lease (as defined herein) and the Purchase and Use Agreement (as defined herein) ("2021 Real Property") and conveyance of any improvements thereon ("Conveyed Improvements") by the City to the Corporation, subject to the release provisions provided therein; (ii) the provision for the acquisition, design, improvement, construction, installation, and equipment of the Capital Projects by the Corporation; and (iii) the payment by the City of installment payments from any legally available source, including the proceeds of general obligation bonds issued by the City ("Installment Payments"), to the Corporation for acquisition of undivided interests in the Conveyed Improvements and the 2021 Projects (together the Conveyed Improvements and the 2021 Projects are the "2021 Facilities") and the occupancy thereof;

(c) To provide funds to pay for the costs of the Capital Projects, the Corporation will issue its installment purchase revenue bonds in an amount not expected to exceed $7,125,000 ("IPRBs") pursuant to a Trust Agreement ("Trust Agreement") between the Corporation and U.S. Bank National Association, as trustee;

(e) The Corporation would use the Installment Payments received from the City to make the debt service payments on the IPRBs and pledge its right to receive the Installment Payments as security for the IPRBs; and

(f) The City desires to authorize (a) the Installment Plan for the Capital Projects, and (b) the issuance of general obligation bonds, if necessary, to make Installment Payments to the Corporation in order to acquire undivided interest in the 2021 Facilities.

SECTION 2. ***Authorization of the Installment Plan and Execution of Documents.***

(a) The City is authorized to pursue the Installment Plan for the Capital Projects. The City affirms and ratifies that the Capital Projects are necessary and desirable for the City to carry out its governmental purpose and are for the benefit and well-being of the citizens of the City. The City is authorized to enter into and carry out its obligations under the following agreements, the proposed forms of which are attached to this Ordinance as Exhibits A and B, respectively, and the form, terms and provisions of each are approved and authorized as if set forth in this Ordinance in their entirety, with such changes as may be approved by the City Administrator or the Mayor of the City ("Mayor"), or either of their respective designees (collectively, the "Authorized Representative"):

> (i) *Base Lease and Conveyance Agreement*: Pursuant to the Base Lease and Conveyance Agreement ("Base Lease"), the City will (A) lease the 2021 Real Property to the Corporation for a term of approximately 25 years, and (B) convey to the Corporation the Conveyed Improvements. The Corporation will prepay the City rent for the 2021 Real Property to ensure, in an event of non-appropriation by the City, the Corporation's right to occupy and use all or a portion of the 2021 Facilities for the entire term of the Base Lease.
>
> (ii) *Installment Purchase and Use Agreement*. Pursuant to the Installment Purchase and Use Agreement ("Purchase and Use Agreement"), the Corporation will agree, among other things, to (A) use the proceeds of its IPRBs for the acquisition, improvement, construction, installation and equipping of the Capital Projects, and (B) sell the 2021 Facilities to the City. The City will agree to (X) serve as the agent for the Corporation for the acquisition and construction of the Capital Projects, (Y) make annual Installment Payments, subject to the City's right to not appropriate funds therefor, to the Corporation for (I) the acquisition of undivided interests in the 2021 Facilities, and (II) the use and occupancy of the 2021 Facilities to the extent not owned by the City, and (Z) maintain and operate the 2021 Facilities, including purchasing and maintaining insurance thereon.

(b) The Authorized Representative is authorized, empowered and directed to execute, acknowledge and deliver the Base Lease and the Purchase and Use Agreement to the Corporation. The final terms of the Base Lease and the Purchase and Use Agreement shall accomplish the Installment Plan and shall not be inconsistent with or contrary to such purposes. The execution of the Base Lease and the Purchase and Use Agreement shall constitute conclusive evidence of the approval by the Authorized Representatives of the final terms of the Base Lease and the Purchase and Use Agreement.

(c) The Authorized Representative is further authorized to take such actions and make such other determinations as may be necessary or appropriate to carry out the Installment Plan and is directed and empowered to consult with the City Attorney, Bond Counsel (as defined herein) or the Financial Advisor (as defined herein) as the Authorized Representative determines, in his or her sole discretion, may be necessary or advisable regarding the Installment Plan.

SECTION 3. ***Approval of the Corporation and the Issuance and Sale of the Corporation's IPRBs.*** City Council acknowledges and consents to:

(a) the Corporation's issuance, sale and delivery of its IPRBs in one or more series, taxable or tax-exempt, in an amount or amounts to be set pursuant to a resolution to be adopted by the board of directors of the Corporation, to provide funds for (i) the costs of the Capital Projects and (ii) the costs of issuing the IPRBs;

(b) the issuance of the IPRBs pursuant to the Trust Agreement and the pledge of, among other things, the Installment Payments, for the payment of the debt service on the IPRBs; and

(c) the hiring by the Corporation of certain professionals as may be necessary to facilitate the Installment Plan and the issuance of the IPRBs.

City Council acknowledges that the Corporation, in conjunction with the City, will or has requested proposals from certain banks and financial institutions (collectively, "Institutions") for the purchase of the IRPBs and acknowledges that such Institutions may request or have requested certain financial and operating data regarding the City in making their assessment of the IPRBs and determination to submit a proposal for the purchase of the IPRBs. The City is authorized to provide to such Institutions with such financial and operating data regarding the City as may be requested and is further authorized to negotiate, execute, accept, or acknowledge the proposal from the Institution which provides the most advantageous offer (which will be based substantially on the lowest total financing cost) to the Corporation and the City with respect to the IPRBs and the fulfillment of the Installment Plan.

SECTION 4. ***Real Property Considerations.*** City Council authorizes the lease of the 2021 Property and the transfer of the Conveyed Improvements to the Corporation pursuant to the Base Lease. City Council further authorizes, subject to the City's right to not appropriate funds therefor, the acquisition of the 2021 Facilities from the Corporation pursuant to the Purchase and Use Agreement.

City Council acknowledges that the Corporation, as security for the IPRBs, may pledge and mortgage its interest in the 2021 Facilities and City Council consents to such pledge and mortgage and the preparation and filing of such documents and instruments as may be necessary to create, evidence and perfect the security interest in the 2021 Facilities. The City Council further acknowledges that a failure to appropriate funds or issue general obligations bonds to make the Installment Payments could result in a loss of the right to use or occupy the 2021 Facilities, as the case may be, through the term of the Base Lease.

SECTION 5. ***Authorization and Details of the General Obligation Bonds of the City for Installment Payments.*** Pursuant to Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended, ("Constitution") and Title 5, Chapter 21 and Title 11, Chapter 27 of the Code of Laws of South Carolina, 1976, as amended (collectively, "Enabling Act"), the City is authorized to issue, without a referendum, general obligation bonds ("Bonds"), in an amount not exceeding eight percent of the assessed value of all taxable property of such City for the purposes of making Installment Payments to the Corporation. The Bonds may be issued in one or more series, taxable or tax-exempt, from time to time with such further designation of each series to identify the year in which such Bonds are issued.

The Bonds may be issued as fully registered bonds; dated the date of their delivery or such other date as may be selected by an Authorized Representative; may be in denominations of $1,000 or any whole multiple thereof not exceeding the principal amount of the Bonds maturing in each year; shall be numbered from R-1 upward; shall bear interest, if any, from their date as may be accepted by an Authorized Representative; and shall mature as determined by an Authorized Representative.

SECTION 6. ***Delegation of Certain Details of the Bonds to the City Administrator.*** City Council expressly delegates to the City Administrator determinations regarding the Bonds as are necessary or appropriate to make Installment Payments or for any other lawful purpose, including the form of the Bonds (or BANs). The City Administrator is further directed to consult with its bond counsel in making any such decisions.

SECTION 7. ***Registrar/Paying Agent.*** Both the principal installments of and interest on the Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts. The City Treasurer's Office or a qualified financial institution shall serve as the Registrar/Paying Agent for the Bonds ("Registrar/Paying Agent") and shall fulfill all functions of the Registrar/Paying Agent enumerated herein.

SECTION 8. ***Registration and Transfer.*** The City shall cause books (herein referred to as the "registry books") to be kept at the offices of the Registrar/Paying Agent, for the registration and transfer of the Bonds. Upon presentation at its office for such purpose, the Registrar/Paying Agent shall register or transfer, or cause to be registered or transferred, on such registry books, the Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

The Bonds shall be transferable only upon the registry books of the City, which shall be kept for such purpose at the principal office of the Registrar/Paying Agent, by the registered owner thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar/Paying Agent, duly executed by the registered owner or his duly authorized attorney. Upon the transfer of the Bonds, the Registrar/Paying Agent on behalf of the City shall issue in the name of the transferee new fully registered Bonds, of the same aggregate principal amount, interest rate and maturity as the surrendered Bonds. Any Bond surrendered in exchange for a new registered bond pursuant to this Section shall be canceled by the Registrar/Paying Agent.

The City and the Registrar/Paying Agent may deem or treat the person in whose name the fully registered Bonds shall be registered upon the registry books as the absolute owner of such Bonds, whether such Bonds shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bonds and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid, and neither the City nor the Registrar/Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring the Bonds is exercised, the City shall execute and the Registrar/Paying Agent shall authenticate and deliver the Bonds in accordance with the provisions of this Ordinance. Neither the City nor the Registrar/Paying Agent shall be obliged to make any such transfer of the Bonds during the period beginning on the Record Date (as defined in Section 6 hereof) and ending on an interest payment date.

SECTION 9. ***Record Date.*** The City establishes a record date ("Record Date") for the payment of interest or for the giving of notice of any proposed redemption of the Bonds, and such Record Date shall be the 15th day of the calendar month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of the Bonds, such Record Date shall not be more than 15 days prior to the mailing of notice of redemption of the Bonds.

SECTION 10. ***Lost, Stolen, Destroyed or Defaced Bonds.*** In case the Bonds shall at any time become mutilated in whole or in part, or be lost, stolen or destroyed, or be so defaced as to impair the value thereof to the owner, the City shall execute and the Registrar/Paying Agent shall authenticate and deliver at the principal office of the Registrar/Paying Agent, or send by registered mail to the owner thereof at his request, risk and expense, new bonds of the same interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event the applicant for the issuance of a substitute bond shall furnish the City and the Registrar/Paying Agent evidence or proof satisfactory to the City and the Registrar/Paying Agent of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity in such amount as may be required by the laws of the State of South Carolina ("South Carolina") or such greater amount as may be required by the City and the Registrar/Paying Agent. Any duplicate bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance as was the original Bond in lieu of which such duplicate bond is issued.

All expenses necessary for the providing of any duplicate bond shall be borne by the applicant therefor.

SECTION 11. ***Book-Entry Only System.***

(a) Notwithstanding anything to the contrary herein, so long as the Bonds are being held under a book-entry system of a securities depository, transfers of beneficial ownership of the Bonds will be effected pursuant to rules and procedures established by such securities depository. The initial securities depository for the Bonds will be The Depository Trust Company ("DTC"), New York, New York. DTC and any successor securities depositories are hereinafter referred to as the "Securities Depository." The Bonds shall be registered in the name of Cede & Co., as the initial securities depository nominee for the Bonds. Cede & Co. and successor securities depository nominees are hereinafter referred to as the "Securities Depository Nominee."

(b) As long as a book-entry system is in effect for the Bonds, the Securities Depository Nominee will be recognized as the holder of the Bonds for the purposes of (i) paying the principal, interest and premium, if any, on such Bonds, (ii) if the Bonds are to be redeemed in part, selecting the portions of such Bonds to be redeemed, (iii) giving any notice permitted or required to be given to Bondholders under this ordinance, (iv) registering the transfer of the Bonds, and (v) requesting any consent or other action to be taken by the holder of such Bonds, and for all other purposes whatsoever, and the City shall not be affected by any notice to the contrary.

(c) The City shall not have any responsibility or obligation to any participant, any beneficial owner or any other person claiming a beneficial ownership in the Bonds which is registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository as holder of the Bonds.

(d) The City shall pay all principal, interest and premium, if any, on the Bonds issued under a book-entry system, only to the Securities Depository or the Securities Depository Nominee, as the case may be, for such Bonds, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal of and premium, if any, and interest on such Bonds.

(e) In the event that the City determines that it is in the best interest of the City to discontinue the book-entry system of transfer for the Bonds, or that the interests of the beneficial owners of the Bonds may be adversely affected if the book-entry system is continued, then the City shall notify the Securities Depository of such determination. In such event, the City shall appoint a Registrar/Paying Agent which shall authenticate, register and deliver physical certificates for the Bonds in exchange for the Bonds registered in the name of the Securities Depository Nominee.

(f) In the event that the Securities Depository for the Bonds discontinues providing its services, the City shall either engage the services of another Securities Depository or arrange with a Registrar/Paying Agent for the delivery of physical certificates in the manner described in (e) above.

(g) In connection with any notice or other communication to be provided to the holder of the Bonds by the City or by the Registrar/Paying Agent with respect to any consent or other action to be taken by the holder of the Bonds, the City or the Registrar/Paying Agent, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than 15 days in advance of such record date to the extent possible.

SECTION 12. ***Execution of Bonds.*** The Bonds shall be executed in the name of the City with the manual, electronic or facsimile signature of the Mayor of the City and attested by the manual, electronic or facsimile signature of the City Administrator under a facsimile of the seal of the City which shall be impressed, imprinted or reproduced thereon. The Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. The Bonds shall bear a certificate of authentication manually executed by the Registrar/Paying Agent in substantially the form set forth herein.

SECTION 13. ***Form of Bonds.*** The Bonds shall be in the form as determined by the City Administrator under Section 6.

SECTION 14. ***Security for Bonds.*** The full faith, credit and taxing power of the City are irrevocably pledged for the payment of the principal of and interest on the Bonds as they mature and to create a sinking fund to aid in the retirement and payment thereof. There shall be levied and collected annually upon all taxable property in the City an *ad valorem* tax, without limitation as to rate or amount, sufficient for such purposes.

SECTION 15. ***Exemption from Taxation.*** Both the principal of and interest on the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the Code of Laws of South Carolina, 1976, as amended, from all State, City, municipal, school district and all other taxes or assessments, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate and transfer taxes, but the interest thereon may be includable in certain franchise fees or taxes.

SECTION 16. ***Sale of Bond, Form of Notice of Sale.*** The Bonds may be sold at a public or private sale, as authorized by and in accordance with Section 11-27-40(4) of the Enabling Act, as the City Administrator may determine.

SECTION 17. ***Deposit and Application of Proceeds.*** The proceeds of the Bonds or of BANs (authorized under Section 19 of this Ordinance), when drawn, will be deposited in a bond account fund for the City and shall be expended and made use of as follows:

(a) accrued interest, if any, shall be applied to the payment of the first installment of interest to become due on the Bonds or BANs; and

(b) the remaining proceeds shall be expended and made use of to defray the cost of issuing the Bonds or BANs and to make Installment Payments. Pending the use of such proceeds, the same shall be invested and reinvested in such investments as are permitted under South Carolina law. Earnings on such investments shall be applied either to Installment Payments or, if not so required, to pay principal on the Bonds.

SECTION 18. ***Defeasance.***

(a) If a series of bonds issued pursuant to this Ordinance shall have been paid and discharged, then the obligations of the Ordinance hereunder, and all other rights granted thereby shall cease and determine with respect to such series of bonds. A series of bonds shall be deemed to have been paid and discharged within the meaning of this Section under any of the following circumstances:

(i) If the Registrar/Paying Agent (or, if the City is the Registrar/Paying Agent, a bank or other institution serving in a fiduciary capacity) ("Escrow Agent") shall hold, at the stated maturities of the bonds, in trust and irrevocably appropriated thereto, moneys for the full payment thereof; or

(ii) If default in the payment of the principal of such series of bonds or the interest thereon shall have occurred, and thereafter tender of payment shall have been made, and the Escrow Agent shall hold, in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of payment; or

(iii) If the City shall have deposited with the Escrow Agent, in an irrevocable trust, either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America, which are not subject to redemption by the issuer prior to the date of maturity thereof, as the case may be, the principal of and interest on which, when due, and without reinvestment thereof, will provide moneys, which, together with the moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay, when due, the principal, interest, and redemption premium or premiums, if any, due and to become due on such series of bonds and prior to the maturity date or dates of such series of bonds, or, if the City shall elect to redeem such series of bonds prior to their stated maturities, and shall have irrevocably bound and obligated itself to give notice of redemption thereof in the manner provided in the form of the bonds, on and prior to the redemption date or dates of such series of bonds, as the case may be; or

(iv) If there shall have been deposited with the Escrow Agent either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America the principal of and interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay, when due, the principal and interest due and to become due on such series of bonds on the maturity thereof.

(b) In addition to the above requirements of paragraphs (a) (i), (ii), (iii), and (iv), in order for this Ordinance to be discharged with respect to a series of bonds, all other fees, expenses and charges of the Escrow Agent have been paid in full at that time.

(c) Notwithstanding the satisfaction and discharge of this Ordinance with respect to a series of bonds, the Escrow Agent shall continue to be obligated to hold in trust any moneys or investments then held by the Escrow Agent for the payment of the principal of, premium, if any, and interest on, such series of bonds, to pay to the owners of such series of bonds the funds so held by the Escrow Agent as and when payment becomes due.

(d) Any release under this Section shall be without prejudice to the rights of the Escrow Agent to be paid reasonable compensation for all services rendered under this Ordinance and all reasonable expenses, charges, and other disbursements and those of their respective attorneys, agents, and employees, incurred on and about the performance of the powers and duties under this Ordinance.

(e) Any moneys which at any time shall be deposited with the Escrow Agent by or on behalf of the City for the purpose of paying and discharging any bonds shall be and are assigned, transferred, and set over to the Escrow Agent in trust for the respective holders of such bonds, and the moneys shall be and are irrevocably appropriated to the payment and discharge thereof. If, through lapse of time or otherwise, the holders of such bonds shall no longer be entitled to enforce payment of their obligations, then, in that event, it shall be the duty of the Escrow Agent to transfer the funds to the City.

(f) In the event any bonds are not to be redeemed within the 60 days next succeeding the date the deposit required by Section 18(a)(iii) or (iv) is made, the City shall give the Escrow Agent irrevocable instructions to mail, as soon as practicable by registered or certified mail, a notice to the owners of the bonds at the addresses shown on the registry books that (i) the deposit required by subparagraph (a)(iii) or (a)(iv) of this Section 18 has been made with the Escrow Agent, (ii) the bonds are deemed to have been paid in accordance with this Section and stating the maturity or redemption dates upon which moneys are to be available for the payment of the principal of, and premium, if any, and interest on, the bonds, and (iii) stating whether the City has irrevocably waived any rights to redeem the bonds, or any of them, prior to the maturity or redemption dates set forth in the preceding clause (ii).

(g) The City covenants and agrees that any moneys which it shall deposit with the Escrow Agent shall be deemed to be deposited in accordance with, and subject to, the applicable provisions of this Section, and whenever it shall have elected to redeem bonds, it will irrevocably bind and obligate itself to give notice of redemption thereof, and will further authorize and empower the Escrow Agent to cause notice of redemption to be given in its name and on its behalf.

SECTION 19. ***Authority to Issue Bond Anticipation Notes.*** If the City Administrator should determine that issuance of BANs pursuant to Chapter 17 of Title 11 of the Code of Laws of South Carolina, 1976, as amended ("BAN Act"), rather than Bonds would result in a substantial savings in interest under prevailing market conditions or for other reasons would be in the best interest of the City, the City Administrator is further requested and authorized to effect the issuance of one or more series of BANs pursuant to the BAN Act. If BANs are issued and if, upon the maturity thereof, the City Administrator should determine that further issuance of BANs rather than Bonds would result in a substantial savings in interest under then prevailing market conditions or for other reasons would be in the best interest of the City, the City Administrator is authorized to continue the issuance of BANs until the City Administrator determines to issue Bonds on the basis as aforesaid, and Bonds are issued.

SECTION 20. ***Details of Bond Anticipation Notes.*** Subject to changes in terms required for any particular issue of BANs, the BANs shall be subject to the following particulars:

(a) The BANs shall be dated and bear interest from the date of delivery thereof or, if the BAN is issued on a draw-down basis, from the date of each such advance, payable upon the stated maturity thereof, at the rate negotiated by the City Administrator and shall mature on such date, not to exceed one year from the issue date thereof, as shall be determined by the City Administrator.

(b) The BANs shall be numbered from one upwards for each issue and shall be in the denomination of $1,000 or any whole multiple thereof requested by the purchaser thereof. The BANs shall be payable, both as to principal and interest, in legal tender upon maturity, at the principal office of a bank designated by the City or, at the option of the City, by the purchaser thereof.

The BANs also may be issued as one or more fully registered "draw-down" style instruments in an aggregate face amount not exceeding the maximum amount permitted hereunder, to a lending institution under terms which permit the balance due under such note or notes to vary according to the actual cash needs of the City, as shall be determined by the City Administrator. In such event, the City may draw upon such note or notes as it needs funds so long as the maximum outstanding balance due under such note or notes does not exceed the aggregate face amount thereof.

(c) The City Administrator is authorized to negotiate or to arrange for a sale of the BANs and to determine the rate of interest to be borne thereby.

(d) The BANs shall be in the form as determined by the City Administrator under Section 6.

(e) The BANs shall be issued in fully registered or bearer certificated form or a book-entry-only form as specified by the City, or at the option of the City, by the purchaser thereof; provided that once issued, the BANs of any particular issue shall not be reissued in any other form and no exchange shall be made from one form to the other.

(f) In the event any BAN is mutilated, lost, stolen or destroyed, the City may execute a new BAN of like date and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated BAN, such mutilated BAN shall first be surrendered to the City, and in the case of any lost, stolen or destroyed BAN, there shall be first furnished to the City evidence of such loss, theft or destruction satisfactory to the City, together with indemnity satisfactory to it; provided that, in the case of a holder which is a bank or insurance company, the agreement of such bank or insurance company to indemnify shall be sufficient. In the event any such BAN shall have matured, instead of issuing a duplicate BAN, the City may pay the same without surrender thereof. The City may charge the holder of such BAN with its reasonable fees and expenses in this connection.

(g) Any BAN issued in fully registered form shall be transferable only upon the books of registry of the City, which shall be kept for that purpose at the office of the City as note registrar (or its duly authorized designee), by the registered owner thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the City as note registrar, duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any BAN, the City shall issue, subject to the provisions of paragraph (h) below, in the name of the transferee, a new BAN or BANs of the same aggregate principal amount as the unpaid principal amount of the surrendered BAN. Any holder of a BAN in fully registered form requesting any transfer shall pay any tax or other governmental charge required to be paid with respect thereto. As to any BAN in fully registered form, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of and interest on any BAN in fully registered form shall be made only to or upon the order of the registered holder thereof, or his duly authorized attorney, and the City shall not be affected by any notice to the contrary, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such BAN to the extent of the sum or sums so paid.

(h) BANs issued in fully registered form, upon surrender thereof at the office of the City (or at such office as may be designated by its designee) as note registrar, with a written instrument of transfer satisfactory to the City, duly executed by the holder of the BAN or his duly authorized attorney, may, at the option of the holder of the BAN, and upon payment by such holder of any charges which the City may make as provided in paragraph (i), be exchanged for a principal amount of BANs in fully registered form of any other authorized denomination equal to the unpaid principal amount of surrendered BANs.

(i) In all cases in which the privilege of exchanging or transferring BANs in fully registered form is exercised, the City shall execute and deliver BANs in accordance with the provisions of this Ordinance. All BANs in fully registered form surrendered in any such exchanges or transfers shall forthwith be canceled by the City. There shall be no charge to the holder of such BAN for such exchange or transfer of BANs in fully registered form except that the City may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer.

SECTION 21. ***Security for Bond Anticipation Notes.*** For the payment of the principal of and interest on the BANs as the same shall fall due, so much of the principal proceeds of Bonds when issued shall and is directed to be applied, to the extent necessary, to the payment of the BANs; and, further, the City covenants and agrees to effect the issuance of sufficient BANs or Bonds in order that the proceeds thereof will be sufficient to provide for the retirement of any BANs issued pursuant hereto.

SECTION 22. ***Tax and Securities Laws Covenants.***

(a) The City covenants that no use of the proceeds of the sale of the Bonds or BANs authorized hereunder or the IPRBs shall be made which, if such use had been reasonably expected on the date of issue of such Bonds or BANs or the IPRBs would have caused the Bonds or BANs or the IPRBs to be "arbitrage bonds," as defined in the Code (as hereinafter defined), and to that end the City shall comply with all applicable regulations of the Treasury Department previously promulgated under Section 103 of the Internal Revenue Code of 1954, as amended ("Code"), and any regulations promulgated under the Code so long as the Bonds or BANs and the IPRBs are outstanding.

(b) The City further covenants to take all action necessary, including the payment of any rebate amount, to comply with Section 148(f) of the Code and any regulations promulgated thereunder.

(c) The City covenants to file IRS form 8038, if the Code so requires, at the time and in the place required therefore under the Code.

(d) To the extent the City and the Corporation do not issue more than $10,000,000 of obligations, the interest on which is excludable from the gross income of the holders thereof under the Code (excluding private activity bonds (within the meaning of Section 141(a) of the Code) other than qualified 501(c)(3) bonds (within the meaning of Section 145 of the Code)) during any calendar year, the City designates such obligations, if issued as tax-exempt bonds, as a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code.

SECTION 23. ***Reimbursement Provisions.*** The City is authorized and has paid or may pay for certain costs and expenditures relating to the Capital Projects from its general fund or capital project fund, in an amount not exceeding $5,000,000, prior to the issuance of the IPRBs (collectively, "Initial Expenditures"). Such Initial Expenditures are (a) properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of "placed in service" under Treasury Regulation §1-150-2) under general federal income tax principles; or (b) certain *de minimis* or preliminary expenditures satisfying the requirements of Treasury Regulation §1.150-2(f).

The City and the Corporation may agree for the Corporation to repay the City for these Initial Expenditures, the source of such repayment to be the proceeds of the IPRBs. To the extent the Corporation repays the City for the Initial Expenditures from the proceeds of the IPRBs, pursuant to Treasury Regulation §1.150-2, this Ordinance is an official declaration by the City of its intent with respect to the repayment of the Initial Expenditures incurred and paid on or after the date occurring 60 days prior to the date of adoption of this Ordinance, from the proceeds of the IPRBs.

SECTION 24. ***Further Authorization for Authorized Representatives; Ratification of Prior Acts.*** City Council authorizes each Authorized Representative to negotiate, execute and deliver such other documents, agreements, certificates and instruments and to take such further actions as may be necessary to effect the Installment Plan, the acquisition of the Capital Projects, including the modification thereof, the issuance of the IPRBs, and subject to non-appropriation, the payment of Installment Payments to the Corporation, including the issuance of the Bonds therefor. Any actions taken by the Authorized

Representative prior to the date of this Ordinance with respect to the Installment Plan, including the expenditure of funds and the execution of documents, are hereby approved, ratified and confirmed in all respects.

SECTION 25. ***Publication of Notice of Adoption of Ordinance pursuant to Section 11-27-40, paragraph 8, of the Code of Laws of South Carolina, 1976.*** Pursuant to the provisions of Section 11-27-40 of the Code of Laws of South Carolina, 1976, as amended, the City Administrator, at his option, is authorized to arrange to publish a notice of adoption of this Ordinance.

SECTION 26. ***Retention of Bond Counsel and Financial Advisor.*** City Council authorizes and consents to the retention of the law firm of Parker Poe Adams & Bernstein LLP as bond counsel ("Bond Counsel"), and the firm of First Tryon Advisors as financial advisor ("Financial Advisor") in connection with the Installment Plan.

City Council further authorizes the Authorized Representatives, in accordance with the City's procurement policy, to enter into such contractual arrangements with suppliers of goods and services necessary to effect the Installment Plan or the sale, execution and delivery of the Bonds as is necessary and desirable.

SECTION 27. ***General Repealer.*** All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bonds are, to the extent of such conflict, repealed and this Ordinance shall take effect and be in full force from and after its adoption.

CITY OF FOUNTAIN INN, SOUTH CAROLINA

____

George Patrick McLeer, Jr., Mayor
Fountain Inn, South Carolina

(SEAL)
ATTEST:

____

Sandra Woods, City Clerk
Fountain Inn, South Carolina

First Reading: July 8, 2021
Second Reading: August 12, 2021

EXHIBIT A
FORM OF BASE LEASE AND CONVEYANCE AGREEMENT

EXHIBIT B
FORM OF INSTALLMENT PURCHASE AND USE AGREEMENT

BASE LEASE AND CONVEYANCE AGREEMENT

between

CITY OF FOUNTAIN INN, SOUTH CAROLINA

as lessor

and

FOUNTAIN INN FACILITIES CORPORATION

as lessee

Dated as of: August 1, 2021

ALL RIGHTS, TITLE AND INTEREST OF FOUNTAIN INN FACILITIES CORPORATION IN THIS BASE LEASE AND CONVEYANCE AGREEMENT HAVE BEEN ASSIGNED TO U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE ("TRUSTEE"), UNDER A TRUST AGREEMENT DATED OF EVEN DATE HEREWITH, AND ARE SUBJECT TO THE SECURITY INTEREST OF THE TRUSTEE.

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TERMINATION

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CONTROL OF 2021 REAL PROPERTY AND 2021 FACILITIES
DURING BASE LEASE TERM

ARTICLE VI
MISCELLANEOUS

BASE LEASE AND CONVEYANCE AGREEMENT

THIS BASE LEASE AND CONVEYANCE AGREEMENT, dated as of August 1, 2021 ("Base Lease"), is between the City of Fountain Inn, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina ("City"), as lessor, and Fountain Inn Facilities Corporation, a nonprofit corporation duly organized under the laws of the State of South Carolina ("Corporation"), as lessee.

WITNESSETH

WHEREAS, the Corporation is a nonprofit corporation formed under the provisions of Title 33, Chapter 31 of Code of Laws of South Carolina 1976, as amended;

WHEREAS, the City is a body politic and corporate and a political subdivision of the State of South Carolina, and is authorized under the provisions of Title 5, Chapter 7, Code of Laws of South Carolina 1976, as amended ("Act"), to enter into this Base Lease;

WHEREAS, pursuant to the terms of this Base Lease and an Installment Purchase and Use Agreement dated of even date herewith ("Purchase and Use Agreement"), between the Corporation and the City, the City desires to lease the 2021 Real Property (as defined in the Purchase and Use Agreement) and convey the Conveyed Improvements (as defined herein) to the Corporation so that the Corporation may (i) provide funds for the acquisition and construction of the 2021 Projects and Ancillary Projects (each as defined in the Purchase and Use Agreement) and (ii) sell and convey the 2021 Facilities and Ancillary Projects (as defined in the Purchase and Use Agreement) to the City;

WHEREAS, the payments to be made under the Purchase and Use Agreement and the rights of the Corporation thereto (except for certain reserved rights as provided therein) are to be assigned to U.S. Bank National Association, as trustee ("Trustee"), pursuant to the terms of a Trust Agreement dated of even date herewith ("Trust Agreement"), between the Corporation and the Trustee, to secure and provide a source of payment for certain bonds, the proceeds of which are to be used to defray the costs of the 2021 Projects and the cost related to the issuance of bonds under the Trust Agreement; and

WHEREAS, the City desires to enter into this Base Lease to achieve the foregoing purposes.

NOW, THEREFORE, in consideration of the payment of the Base Lease Rent (as hereinafter defined) and the premises and the mutual covenants and agreements herein set forth, the City and the Corporation do hereby covenant and agree as follows:

ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1 Definitions of Words and Terms. Capitalized terms not otherwise defined herein are used either with the meanings provided therefore in the Trust Agreement or the Purchase and Use Agreement or shall have the following meanings, unless some other meaning is plainly intended:

"Base Lease Rent" means those items referred to as such in Section 3.4 of this Base Lease.

"Base Lease Term" means the term of this Base Lease which ends on the earlier of (i) December 1, 2045, and (ii) the date on which the Series 2021 Bond is discharged within the meaning of Section 3.19(d) of the Trust Agreement.

"Board of Directors" means the Board of Directors for Fountain Inn Facilities Corporation, as the governing body of the Corporation, and any successor body.

“Conveyed Improvements” means the improvements located on the 2021 Real Property and any Additional Real Property, all as described in Exhibit B.

“Corporation” means Fountain Inn Facilities Corporation, a nonprofit corporation formed under the laws of the State of South Carolina, and its successors and assigns.

“Corporation Representative” means the person or persons at the time designated to act on behalf of the Corporation in matters relating to this Base Lease, the Purchase and Use Agreement and the Trust Agreement as evidenced by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Corporation by its President or any Vice President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Corporation Representative.

“Corporation Resolution” means the Resolution adopted by the Board of Directors on [August 12, 2021], authorizing the Corporation’s issuance of the Series 2021 Bond and the execution and delivery of this Base Lease, the Purchase and Use Agreement and the Trust Agreement.

“Counsel” means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the City or the Corporation.

“City Council” means the City Council of the City of Fountain Inn, South Carolina, as the governing body of the City, and any successor body.

“Event of Default” means (a) with respect to the Purchase and Use Agreement, any Event of Default as defined in Section 8.1 of the Purchase and Use Agreement, and (b) with respect to the Trust Agreement, any Event of Default as defined in Section 7.1 of the Trust Agreement.

“Fiscal Year” means the 12-month period adopted by the City as its fiscal year for financial reporting purposes. Currently, such Fiscal Year for the City begins on July 1 of each year.

“Installment Payments” means those payments required to be made by the City by Sections 4.1, 4.2 and 4.4 of the Purchase and Use Agreement.

“Ordinance” means the Ordinance adopted by the City Council on [August 12, 2021], authorizing the City’s execution and delivery of this Base Lease and the Purchase and Use Agreement and consenting to the Trust Agreement.

“Purchase and Use Agreement” shall mean the Installment Purchase and Use Agreement dated of even date herewith between the Corporation and the City.

“State” means the State of South Carolina.

“Trust Estate” means the Trust Estate described in the Granting Clauses of the Trust Agreement.

“Trustee” means U.S. Bank National Association, a national banking association chartered under the laws of the United States of America, and its successor or successors and any other trustee which at any time may be substituted in its place pursuant to and at the time serving as trustee under the Trust Agreement.

SECTION 1.2 Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons.

The table of contents hereto and the headings and captions herein are not a part of this document.

SECTION 1.3 Accounting Terms. Accounting terms used herein and not otherwise specifically defined shall have the meaning ascribed to such terms by accounting principles generally accepted in the United States as from time to time in effect.

ARTICLE II
REPRESENTATIONS

SECTION 2.1 Representations by the City. The City represents, warrants and covenants as follows:

(a) The City is a duly constituted body politic and corporate and a political subdivision of the State.

(b) The conveyance of title to the Conveyed Improvements and the demise and lease of the 2021 Real Property by the City to the Corporation, as provided in this Base Lease, to allow the Corporation to provide for the construction of the 2021 Projects and Ancillary Projects, and the sale of the 2021 Facilities to the City pursuant to the Purchase and Use Agreement has been undertaken to enable the City to provide suitable governmental, recreational and community facilities in the City.

(c) City Council has full power and authority to adopt the Ordinance and to enter into the transactions contemplated by this Base Lease and to carry out its obligations hereunder.

(d) Neither the execution and delivery of this Base Lease, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound.

(e) The City has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer, any act or thing whereby the City's interests in the 2021 Real Property and the 2021 Facilities shall be or may be impaired, changed or encumbered in any manner whatsoever, except as permitted by this Base Lease or the Purchase and Use Agreement.

(f) The City is the fee owner of the 2021 Real Property existing on the date hereof. Prior to the conveyance of the Conveyed Improvements to the Corporation pursuant to Section 3.1 hereof, any improvements on the 2021 Real Property existing on the date hereof are free and clear of all liens, encumbrances and restrictions (including, without limitation, leases) other than Permitted Encumbrances.

SECTION 2.2 Representations by the Corporation. The Corporation represents, warrants and covenants as follows:

(a) The Corporation is a nonprofit corporation duly incorporated under the laws of the State and has corporate power to enter into this Base Lease, the Purchase and Use Agreement and the Trust Agreement. By proper corporate action the officers of the Corporation have been duly authorized to execute and deliver this Base Lease, the Purchase and Use Agreement and the Trust Agreement.

(b) The execution and delivery of this Base Lease, the Purchase and Use Agreement and the Trust Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or constitute a breach of or default under the Corporation's articles of incorporation or bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement, or instrument to which the Corporation is a party or by which it is bound.

(c) The Board of Directors of the Corporation has full power and authority to adopt the Corporation Resolution and the Corporation has full power and authority to enter into the transactions contemplated by this Base Lease and to carry out its obligations hereunder.

(d) To provide funds to defray the cost of the 2021 Projects, the Corporation will enter into the Trust Agreement pursuant to which it will issue the Series 2021 Bond payable from and secured by the Installment Payments under the Purchase and Use Agreement.

ARTICLE III
LEASE OF THE 2021 REAL PROPERTY AND CONVEYANCE OF IMPROVEMENTS

SECTION 3.1 Transfer of Conveyed Improvements and Lease of the 2021 Real Property. The City hereby demises and leases to the Corporation and the Corporation hereby leases from the City the 2021 Real Property for the Base Lease Term for the rentals and other consideration set forth in Section 3.4 hereof and in accordance with the provisions of this Base Lease. The City hereby conveys the Conveyed Improvements to the Corporation and the Corporation hereby accepts such conveyance from the City. The parties hereto agree to amend Exhibit A to this Base Lease from time to time, as the City acquires new real property ("Additional Real Property") which should become subject to this Base Lease.

SECTION 3.2 Purchase of the 2021 Facilities. Pursuant to the terms of the Purchase and Use Agreement, the Corporation will acquire and construct the 2021 Projects and Ancillary Projects and will convey title to the 2021 Facilities (including but not limited to the 2021 Projects) to the City, but subject to the terms of the Trust Agreement and the reservation of certain rights under this Base Lease.

SECTION 3.3 Assignments, Subleases and Mortgages. Except as contemplated by the Trust Agreement or permitted by the Purchase and Use Agreement, the Corporation may not (a) mortgage or otherwise encumber, or assign its rights in, the 2021 Real Property or the 2021 Facilities or any portion thereof under this Base Lease, (b) lease, assign, transfer or otherwise dispose of its interest in the 2021 Real Property or the 2021 Facilities or any portion thereof or (c) remove, modify or alter the 2021 Real Property or the 2021 Facilities or any portion thereof, without the consent of the City.

SECTION 3.4 Rent and Other Consideration. As and for rental hereunder and in consideration for the leasing of the 2021 Real Property to the Corporation hereunder, the Corporation agrees (i) to pay to the City from the sources identified in Section 5.1 of the Trust Agreement the sum of $25.00 as a prepayment of the annual Base Lease Rent of One Dollar per year for periods beginning on each December 1 and ending on each November 30 with an initial period beginning [August 24, 2021], and ending on [November 30, 2022], and (ii) to fulfill its obligations with respect to the 2021 Facilities as provided in the Purchase and Use Agreement. The payments required hereunder shall be made as provided in Section 5.3(a) of the Trust Agreement.

SECTION 3.5 Taxes and Insurance. The City shall pay and have responsibility for all taxes on and insurance of the 2021 Real Property and the 2021 Facilities. All insurance shall provide that the proceeds shall be payable to the City, the Corporation or the Trustee as their interests may appear.

SECTION 3.6 Granting of Easements, Rights of Way, Releases and Substitutions of Property. From time to time during the term hereof and so long as there is not an existing Event of Default under the Purchase and Use Agreement and there has not occurred an Event of Nonappropriation that has not been waived by the Corporation or the Trustee, the Corporation, at the request of the City, may execute such instruments as are necessary to provide for the granting of easements or rights of way for road construction, utilities or in such other instances as the City certifies are not inconsistent or incompatible with the continued use of the balance of the 2021 Real Property for their intended purposes.

Such instruments may, with the prior written consent of the Trustee, include a termination of this Base Lease with respect to such portion of the 2021 Real Property as is affected thereby or an acceptance or acknowledgment of the right of the grantee of any such easement or right-of-way to continue to use such property notwithstanding the exercise of any rights or remedies afforded to the Corporation hereunder or under the Purchase and Use Agreement. Any request from the City hereunder shall be accompanied by copies of any instruments proposed to be executed together with a certificate from the City to the effect that (a) the continued use of the 2021 Real Property affected thereby will not be impaired or hampered thereby; (b) access to 2021 Real Property for ingress and egress will be adequate for the purposes for which the 2021 Real Property is intended to be used; and (c) the value of the 2021 Real Property to the City will not be significantly diminished thereby.

The Corporation may, with the prior written consent of the Trustee, if any, also terminate this Base Lease with respect to any portion of the 2021 Real Property deemed excessive or unneeded for the continued operation of the 2021 Facilities and the related facilities for the purposes for which they were designed or are then being used, and release its interest in such portion to the City, upon receipt by the Corporation of the following: (a) a plat showing the location of the 2021 Facilities and related facilities and the portion of the 2021 Real Property deemed excessive or unneeded; (b) an amendment to Exhibit A hereto revising the description of the affected parcel of property; (c) a certificate from an engineer or architect stating that the remaining 2021 Real Property will be adequate for the continued operation of the 2021 Facilities and related facilities for the purpose for which they were designed or are then being used, including a certification that there will be adequate access to the remaining 2021 Real Property for ingress and egress; and (d) a certification from the City that the portion of the 2021 Real Property being released from the provisions hereof is in excess to or unneeded for the continued operation of the 2021 Facilities and related facilities for the purposes for which they were designed or are then being used.

The City and the Corporation agree to amend Exhibit A to this Base Lease to substitute or release parcels of 2021 Real Property or portions thereof in accordance with the provisions of this Section 3.6.

With respect to any particular item of 2021 Real Property, the City may, with the prior written consent of the Trustee, if any, substitute another item of 2021 Real Property under the conditions set forth in Section 5.1(c) of the Purchase and Use Agreement.

The City shall not be obligated to compensate the Corporation for the removal of any property or for any conveyance or grant of an easement or right-of-way under the provisions hereof and any consideration paid in connection therewith by a third party shall be turned over to the City so long as there is not an existing Event of Default under the Purchase and Use Agreement and no Event of Nonappropriation has occurred that has not been waived by the Trustee. The Corporation shall have no obligation or responsibility to prepare or record any instrument authorized hereunder.

ARTICLE IV
TERMINATION

SECTION 4.1 Termination.

(a) This Base Lease shall terminate upon the completion of the Base Lease Term; provided, however, in the event the City exercises the option to purchase the 2021 Facilities as provided in Section 9.1(a) of the Purchase and Use Agreement and satisfies the conditions thereof, then this Base Lease shall be considered terminated through merger of the leasehold interest with the interest of the City and, provided further, that upon any partition of the 2021 Facilities pursuant to Section 2.4 of the Purchase and Use Agreement, this Base Lease shall be terminated with respect to that portion of the 2021 Real Property ("City Real Property") relating to any City Facilities (as defined in the Purchase and Use Agreement) and the City Real Property shall no longer be subject to this Base Lease and the Corporation shall have no interest therein. Notwithstanding the termination of the Purchase and Use Agreement as a consequence of an Event of Default or Event of Nonappropriation, the City may thereafter purchase the 2021 Facilities not previously purchased by it upon payment of the applicable Purchase Option Price and the satisfaction of all other terms and conditions set forth in Section 9.1(a) of the Purchase and Use Agreement

(b) The Corporation agrees, upon any termination or completion of the Base Lease Term or the exercise by the City of its option to purchase as provided in Section 9.1(a) of the Purchase and Use Agreement, to quit and surrender the 2021 Real Property and that all title and interest in the 2021 Facilities and the 2021 Real Property shall vest in the City free and clear of the encumbrance of this Base Lease and any other encumbrances except Permitted Encumbrances. The Corporation agrees, upon any partition of the 2021 Facilities provided for in Section 2.4 of the Purchase and Use Agreement, to quit and surrender the City Real Property and that all title and interest in the City Facilities and the City Real Property shall vest in the City free and clear of the encumbrance of this Base Lease and any other encumbrances except Permitted Encumbrances.

If an Event of Default under the Purchase and Use Agreement occurs or if the City fails to continue the Purchase and Use Agreement for the entire term thereof for any reason, the Corporation shall have the right of possession of the portion of the 2021 Real Property ("Corporation Real Property") relating to the Corporation Facilities (as defined in the Purchase and Use Agreement) as the result of a partition as provided for in Section 2.4 of the Purchase and Use Agreement for the remainder of the Base Lease Term and shall have the right to sublease the Corporation Facilities or transfer its leasehold interest in the Corporation Real Property and in this Base Lease upon whatever terms and conditions it deems prudent; provided that the Corporation Facilities shall always be operated for a civic or public purpose to the extent such requirement continues to be applicable under State law and in compliance with all applicable governmental rules, regulations and orders. Both parties acknowledge that the City has an insurable interest in the Corporation Facilities but not in any additions, alterations, furnishings and fixtures provided in connection with the use of the Corporation Facilities by the Corporation or any person to whom the Corporation enters into a lease, license or other such agreement providing for occupancy temporary or long-term. Therefore, the City's obligation to provide insurance and pay taxes under the provisions of Section 3.5 hereof shall be limited to the 2021 Real Property and the 2021 Facilities as they existed as of the Partition Date (as defined in the Purchase and Use Agreement) and the Corporation shall provide the City with adequate public liability and comprehensive risk insurance covering any use of the Corporation Facilities, and shall pay all taxes relating to any additions, alterations, furnishings and fixtures located therein for the remainder of the Base Lease Term and will furnish the City with evidence thereof. In the event that the Corporation shall receive a payment for the transfer of its leasehold interest or total rental payments for subleasing that are, after the payment of the Corporation's expenses in connection therewith, including fees and expenses of the Trustee, in excess of the Outstanding principal amount of the Series 2021 Bond at the time of termination or default and the interest and premium, if any, due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then such excess shall be paid to the City by the Corporation, its assigns or its lessee.

SECTION 4.2 Default by the Corporation. The City shall not have the right to exclude the Corporation from the 2021 Real Property or the 2021 Facilities or to take possession of the 2021 Real Property or the 2021 Facilities (except pursuant to the Purchase and Use Agreement) or to terminate this Base Lease prior to the termination of the Base Lease Term notwithstanding any default by the Corporation hereunder; except that if, upon exercise of the option to purchase the Corporation's entire interest in the 2021 Facilities granted to the City in Article IX of the Purchase and Use Agreement and after the payment of the purchase price specified therein and the other sums payable under the Purchase and Use Agreement, the Corporation fails to convey its interest in the 2021 Facilities to the City pursuant to said option, then the City shall have the right to terminate this Base Lease, such termination to be effective 30 days after delivery of written notice of such termination to the Corporation. However, in the event of any default by the Corporation hereunder, the City may maintain an action, if permitted in equity, for specific performance.

SECTION 4.3 Quiet Enjoyment. Subject to the Purchase and Use Agreement, the Corporation at all times during the term of this Base Lease shall peaceably and quietly have and enjoy the 2021 Real Property and the 2021 Facilities.

SECTION 4.4 No Merger. Except as expressly provided herein, no union of the interests of the City and the Corporation herein or in the Purchase and Use Agreement shall result in a merger of this Base Lease and the title to the 2021 Facilities. The Corporation and City confirm that the 2021 Facilities shall be property of the Corporation and title thereto shall remain vested in the Corporation as 2021 Facilities are renovated, expanded or constructed and shall not merge into the leasehold estate of the Corporation in the 2021 Real Property subject to the provisions of this Base Lease and the Purchase and Use Agreement; except that title to a portion of the 2021 Facilities shall revert to and be vested in the City upon an Event of Nonappropriation or Event of Default under the Purchase and Use Agreement. The Corporation shall have the power to convey undivided interests in the 2021 Facilities to the City from time to time as Installment Payments are made as contemplated by the Purchase and Use Agreement.

SECTION 4.5 Waiver of Personal Liability. All liabilities under this Base Lease on the part of the Corporation are fully corporate liabilities of the Corporation in its capacity as corporate entity, and, to the extent permitted by law, the City hereby releases each and every incorporator, member, director and officer of the Corporation of and from any personal or individual liability under this Base Lease, including without limitation the obligation to make payment of the Base Rent. No incorporator, member, director or officer of the Corporation shall at any time or under any circumstances be individually or personally liable under this Base Lease for anything done or omitted to be done by the Corporation hereunder.

SECTION 4.6 Maintenance of Premises. Subject to the provisions of the Purchase and Use Agreement, the Corporation covenants that it will maintain or cause to be maintained the 2021 Real Property, and will not cause, permit or suffer to be caused or permitted waste thereto. At the conclusion of the term hereof, the 2021 Real Property shall be returned to the City, together with the 2021 Facilities and any other improvements thereto, in substantially the condition thereof as of the date hereof or the date the Additional Real Property is added hereto, subject to normal wear and tear. Except as contemplated under the Purchase and Use Agreement, the Corporation shall not make or consent to any other improvements, modifications or alterations to the 2021 Real Property or the 2021 Facilities or any portion thereof, or remove any part thereof without the written consent of the City. Prior to an Event of Nonappropriation that has not been waived in the event of any damage, destruction or condemnation of any of the 2021 Real Property, the provisions of Article VII of the Purchase and Use Agreement shall be deemed to apply with respect to the 2021 Real Property in like manner as provided therein with respect to 2021 Facilities, and the net proceeds from any insurance policies, performance bonds or condemnation awards shall be applied in the same manner for the benefit of 2021 Real Property as are Net Proceeds under Section 7.2 of the Purchase and Use Agreement. After an Event of Nonappropriation that has not been waived in the event of any damage, destruction or condemnation of any of the 2021 Real Property, the proceeds of any insurance policies, performance bonds or condemnation awards allocable to the Corporation's interest in the 2021 Real Property shall be applied as directed by the Trustee either in the manner provided in Section 7.2 of the Purchase and Use Agreement or to the retirement of the Series 2021 Bond and the balance, if any, remaining thereafter to such use as the City may direct.

ARTICLE V
CONTROL OF 2021 REAL PROPERTY AND 2021 FACILITIES DURING BASE LEASE TERM

SECTION 5.1 Control of 2021 Real Property and 2021 Facilities During Base Lease Term. Subject to the Purchase and Use Agreement and Section 4.6 hereof, during the Base Lease Term the Corporation shall have complete control over the 2021 Real Property and the 2021 Facilities and their operation.

ARTICLE VI
MISCELLANEOUS

SECTION 6.1 Civic or Public Purpose. Notwithstanding anything in this Base Lease to the contrary, during the term of this Base Lease, neither the Corporation nor any assignee of the Corporation's interest hereunder nor any sublessee of the Corporation shall operate the 2021 Facilities for any purpose which is not a civic or public purpose and in compliance with all applicable governmental rules, regulations and orders.

SECTION 6.2 Covenants Running with the 2021 Real Property. All covenants, promises, conditions and obligations herein contained or implied by law are covenants running with the 2021 Real Property and shall attach and bind and inure to the benefit of the City and the Corporation and their respective heirs, legal representatives, successors and assigns, except as otherwise provided herein.

SECTION 6.3 Binding Effect. This Base Lease shall inure to the benefit of and shall be binding upon the City, the Corporation and their respective successors and assigns. The Trustee, if any, is a third-party beneficiary to this Base Lease.

SECTION 6.4 Severability. In the event any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

SECTION 6.5 Amendment, Changes and Modifications. This Base Lease may not be effectively amended, changed, modified, altered or terminated without the prior written consent of the Trustee except to the extent anticipated in Section 3.1 hereof to reference any after-acquired property which shall be included in the 2021 Real Property or to make any Additional Real Property subject to this Base Lease, and Section 3.6 hereof in connection with the granting of easements, releases and substitutions. The Base Lease may not be amended without the prior written consent of the Trustee, if any.

SECTION 6.6 Supplemental Base Leases. The City and the Corporation may, with notice to and the prior consent of the Trustee, if any, enter into supplemental base leases from time to time to provide for the lease by the City to the Corporation of Additional Real Property and the conveyance by the City to the Corporation of Additional Facilities which, together with any Additional New Facilities, will be acquired, constructed, renovated and expanded by the Corporation with the proceeds of Additional Bonds and sold to the City pursuant to the Purchase and Use Agreement, as supplemented by a supplemental installment purchase and use agreement. Such supplemental base lease shall provide for the extension of the term of this Base Lease as necessary and for the payment of Base Lease Rent by the Corporation to the City.

SECTION 6.7 Execution in Counterparts. This Base Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

SECTION 6.8 **Applicable Law.** This Base Lease shall be governed by and construed in accordance with the laws of the State.

SECTION 6.9 **Captions.** The Section and Article headings herein are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions hereof.

SECTION 6.10 **Notices.** It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Base Lease to be given to or filed with the City, the Corporation, or the Trustee if the same is given or filed in the manner and at the addresses specified in the Trust Agreement.

SECTION 6.11 **Memorandum.** The City and the Corporation shall, upon the request of either party, execute a memorandum of this Base Lease for recording in the records of the City of Fountain Inn, South Carolina.

SECTION 6.12 **Successors and Assigns.** All covenants, promises and agreements contained in this Base Lease by or on behalf of or for the benefit of the City or the Corporation, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

[SIGNATURE PAGES FOLLOW]
[REMAINDER OF PAGE INTENTIONALLY BLANK]

WITNESS the due execution of this Base Lease, effective as of the date first above written.

(SEAL)

LESSOR:
CITY OF FOUNTAIN INN, SOUTH CAROLINA

____

____

By:______________________________________
George Patrick McLeer ,Jr., Mayor
City of Fountain Inn, South Carolina

____

____

Attest:_____________________________________
Sandra Woods, City Clerk
City of Fountain Inn, South Carolina

(SEAL)

LESSEE:
FOUNTAIN INN FACILITIES CORPORATION

____

____

By:______________________________________
[ ], President

____

____

Attest:_____________________________________
[ ], Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGMENT

I, ________________________________, Notary Public for the State of South Carolina, do hereby certify that George Patrick McLeer, Jr., Mayor of the City Council of the City of Fountain Inn, South Carolina, and Sandra Woods, City Clerk of the City of Fountain Inn, South Carolina, each personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the _____ day of August 2021.

____

Notary Public for South Carolina

My Commission Expires: _________________________

STATE OF SOUTH CAROLINA	)	
	)	ACKNOWLEDGMENT
COUNTY OF GREENVILLE	)	

I, ________________________________, Notary Public for the State of South Carolina, do hereby certify that [ ], President of the Fountain Inn Facilities Corporation, and [ ], Secretary of the Fountain Inn Facilities Corporation, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the _____ day of August 2021.

____
Notary Public for South Carolina
My Commission Expires: _________________________

EXHIBIT A

LEGAL DESCRIPTION OF THE 2021 REAL PROPERTY AND ANY ADDITIONAL REAL PROPERTY (AS MAY BE AMENDED ACCORDING TO SECTION 3.1 OF THIS BASE LEASE)

<u>Public Works Facility</u>

ALL that certain piece, parcel or lots of land, with buildings and improvements thereon, situate, lying and being in Greenville County, South Carolina, shown and designated as 9.28 acres (404,088 sq. ft.), more or less on that "SURVEY FOR RENEWABLE WATER RESOURCES" prepared by W.R. Williams Jr., PLS No. 001018, dated March 9, 2020 and recorded May 19, 2021 in the Register of Deeds Office for Laurens County, South Carolina in Plat Book A907 at Page 8. Reference is hereby made to said plat of record for a more complete and accurate description as to the metes and bounds, course, and distance as appear thereon.

This being a portion of the property conveyed to Western Carolina Regional Sewer Authority by Deed of the Town of Fountain Inn, dated August 13, 1987 and recorded September 1, 1987 in the Office of the Register of Deeds for Laurens County, South Carolina in Deed Book 241 at Page 970.

Laurens County TMS No.: a portion of 904-04-01-043

EXHIBIT B

CONVEYED IMPROVEMENTS

All existing improvements located on the 2021 Real Property and any Additional Real Property.

INSTALLMENT PURCHASE AND USE AGREEMENT

between

FOUNTAIN INN FACILITIES CORPORATION

as Seller

and

CITY OF FOUNTAIN INN, SOUTH CAROLINA

as Buyer

Dated as of: August 1, 2021

ALL RIGHTS, TITLE AND INTEREST OF FOUNTAIN INN FACILITIES CORPORATION IN THIS INSTALLMENT PURCHASE AND USE AGREEMENT (WITH CERTAIN EXCEPTIONS) HAVE BEEN ASSIGNED TO U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE ("TRUSTEE") UNDER A TRUST AGREEMENT DATED OF EVEN DATE HEREWITH, AND ARE SUBJECT TO THE SECURITY INTEREST OF THE TRUSTEE.

INDEX

INSTALLMENT PURCHASE AND USE AGREEMENT

This **INSTALLMENT PURCHASE AND USE AGREEMENT**, dated as of August 1, 2021 ("Purchase and Use Agreement"), is between Fountain Inn Facilities Corporation (together with its successors and assigns, "Corporation"), a nonprofit corporation formed under the laws of the State of South Carolina ("State"), as seller, and the City of Fountain Inn, South Carolina ("City"), a body politic and corporate and a political subdivision organized under the laws of the State, as buyer.

WITNESSETH

WHEREAS, the Corporation is a nonprofit corporation formed under the provisions of Title 33, Chapter 31, Code of Laws of South Carolina 1976, as amended;

WHEREAS, the City is a body politic and corporate and a political subdivision of the State and is authorized under the provisions of Title 5, Chapter 7, Code of Laws of South Carolina 1976, as amended ("Act"), to enter into this Purchase and Use Agreement;

WHEREAS, the Corporation and the City have entered into a Base Lease and Conveyance Agreement dated of even date herewith ("Base Lease"), pursuant to which the City has leased the 2021 Real Property and conveyed the Conveyed Improvements (as such terms are defined herein), to the Corporation so that the Corporation may provide for the acquisition, construction, installation and equipping of certain public facilities and equipment, which facilities and equipment are more particularly defined and described herein as the 2021 Projects and the Ancillary Projects (as such terms are defined herein);

WHEREAS, to defray the costs of the 2021 Projects and the Ancillary Project, the Corporation will provide for the issuance of $[7,125,000] of its Installment Purchase Revenue Bond (City of Fountain Inn Project) Series 2021 ("Series 2021 Bond"), under and by the terms of a Trust Agreement dated of even date herewith ("Trust Agreement") by and between the Corporation and U.S. Bank National Association, as trustee ("Trustee");

WHEREAS, the City has agreed to make certain payments ("Installment Payments") for the acquisition of the 2021 Facilities (as defined herein) and, pending such acquisition thereof, shall be entitled to the use and occupancy of the 2021 Facilities and certain other rights; and

WHEREAS, the rights to receive Installment Payments are being assigned by the Corporation to the Trustee under the Trust Agreement as security and the source of payment for the Series 2021 Bond;

NOW, THEREFORE, for and in consideration of the undertaking of the Corporation to acquire, improve, construct and equip the 2021 Projects and the Ancillary Projects, the undertaking of the City to pay the Installment Payments hereunder, the mutual covenants and agreements of the parties, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Corporation and the City, intending to be legally bound, do hereby agree as follows:

ARTICLE I
DEFINITIONS

SECTION 1.1 Definitions. Capitalized terms not otherwise defined herein shall have the meanings provided therefor in the Trust Agreement or as set forth below:

"2021 Facilities" means: (a) the Conveyed Improvements, (b) the 2021 Projects, (c) any fixtures and future additions, modifications and substitutions to any facilities located on the 2021 Real Property, and (d) any facility related personal property, but only to the extent such items have been acquired with proceeds of the Series 2021 Bond. The 2021 Facilities do not include the Ancillary Projects.

"2021 Projects" means the acquisition, design, construction and equipping of a public works facility using proceeds of the Series 2021 Bond, all as described on Exhibit A hereof, as the same may be amended from time to time. The 2021 Projects do not include the Ancillary Projects.

"2021 Real Property" means the respective parcels of real property upon which the Conveyed Improvements are located, situated in the City and the legal description of which is shown in Exhibit B hereof, as the same may be amended from time to time.

"Acquisition and Construction Contracts" means any acquisition or construction contract between the City, on behalf of the Corporation, and any contractor or other person and between any contractor or subcontractor with respect to any of the 2021 Projects or the Ancillary Projects.

"Additional Bonds" shall have the meaning set forth in the Trust Agreement.

"Additional Facilities" means any facilities of the City in addition to the 2021 Facilities, proposed to be acquired, improved, refinanced, renovated or constructed by the Corporation and made subject to this Purchase and Use Agreement.

"Additional Payments" means that portion of the Installment Payments specified in Sections 4.1, 4.2 and 4.4 hereof as Additional Payments.

"Additional Real Property" means any real property in addition to the 2021 Real Property that is or will become the site of Additional Facilities.

"Ancillary Projects" means the design, construction and installation of certain streetscape improvements, all as described on Exhibit A hereof, as the same may be amended from time to time. The Ancillary Projects do not include the 2021 Projects. Neither the improvements comprising the Ancillary Projects nor the real property on which the Ancillary Projects are situated are included in the Trust Estate or subject to the Base Lease and the security and partition provisions of this Purchase and Use Agreement.

"Base Lease" means the Base Lease and Conveyance Agreement dated of even date herewith, between the City and the Corporation, as it may be amended or modified from time to time.

"Base Payments" means that portion of the Installment Payments specified in Section 4.1 hereof as Base Payments.

"Bond Fund" means the fund of such name established pursuant to Section 5.5 of the Trust Agreement.

"Bond Proceeds" means the gross proceeds received from the issuance and sale of the Bonds.

"Bonds" means the Series 2021 Bond and any Additional Bonds issued and secured under the terms of the Trust Agreement.

"Certificate of Acceptance" means the Certificate of Acceptance filed with the Trustee in accordance with Section 3.4 hereof.

"City Council" means the City Council of the City of Fountain Inn, South Carolina, as the governing body of the City and any successor body.

"City Facilities" means that portion of the 2021 Facilities allocated to the City as the result of a partition under the provisions of Section 2.4 hereof.

"Code" means the Internal Revenue Code of 1986.

"Completion Date" means the date on which the City provides a Certificate of Acceptance.

"Conveyed Improvements" means those certain improvements presently existing on the 2021 Real Property and any Additional Real Property, all as described in Exhibit B-1.

"Corporation Facilities" means that portion of the 2021 Facilities allocated to the Corporation as the result of a partition under the provisions of Section 2.4 hereof.

"Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, programs, permits, guidances, orders and consent decrees relating to health, safety and environmental matters, including, but not limited to, the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, the Toxic Substances Control Act, as amended, the Clean Water Act, as amended, the Clean Air Act, as amended, the Superfund Amendments and Reauthorization Act of 1986, as amended, state and federal superfund and environmental cleanup programs and laws and U.S. Department of Transportation regulations.

"Event of Default" means any of the events set forth in Section 8.1 of this Purchase and Use Agreement.

"Event of Nonappropriation" means the City's failure, for any reason, or notice from the City of its intention not, to specifically budget and appropriate moneys to pay or adopt an ordinance authorizing the issuance of general obligation bonds for the purpose of paying the Installment Payments coming due under this Purchase and Use Agreement during an applicable Fiscal Year. The existence or nonexistence of an Event of Nonappropriation shall be deemed to occur on the earlier of (a) any date on which the City gives official, specific written notice to the Corporation and the Trustee that the City will not appropriate funds for payment of Installment Payments for the next succeeding Fiscal Year, or (b) July 1 of a year in which no such budget or ordinance shall have been adopted appropriating funds for the current Fiscal Year for payment of Installment Payments; provided, however, that an Event of Nonappropriation may be waived as provided for in Section 4.7 herein.

"Facilities Component" means an entire portion of the 2021 Projects or an entire facility, including the main building or buildings and any related auxiliary buildings (and any furnishings and equipment located therein), comprising the the Conveyed Improvements together with the portion of the 2021 Real Property on which such facility is located.

"Fiscal Year" means the fiscal year of the City, currently beginning on each July 1 and ending on the succeeding June 30.

"Force Majeure" means, without limitation, the following: act of God; strikes, lockouts or other industrial disturbances; acts of public enemies or terrorism; orders or restraints of any kind of the government of the United States of America or of the state or any of their departments, agencies or officials of any civil or military authority; insurrection; riots; landslides; earthquakes; flood; fire; storms; droughts; explosion; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not within the control of the party seeking the benefit of force majeure and not due to its own negligence.

"Hazardous Material" means and includes any pollutant, contaminant, or hazardous, toxic or dangerous waste, substance or material (including without limitation petroleum products, asbestos-containing materials and lead), the generation, handling, storage, transportation, disposal, treatment, release, discharge or emission of which is subject to any Environmental Law.

"Installment Payments" means the payments to be paid by the City pursuant to Sections 4.1, 4.2 and 4.4 hereof, including Base Payments and Additional Payments.

"Net Proceeds" when used with respect to any proceeds from policies of insurance required hereby or any condemnation award, or any proceeds resulting from default under, or recovery under performance and payment bonds related to, any Acquisition or Construction Contract relating to the 2021 Projects, or proceeds from any liquidation of any part of the 2021 Facilities, means the amount remaining after deducting from the gross proceeds thereof all expenses, including, without limitation, reasonable attorney's fees and costs, incurred in the collection of such proceeds or award.

"Partition Consultant" means a person, firm or corporation selected by the Trustee, who or which is experienced in public finance and in the valuation of public city facilities and is not a full-time employee of the Trustee, the City or the Corporation.

"Partition Date" shall have the meaning given such term in Section 2.4 hereof.

"Permitted Encumbrances" means, as of any particular time, (i) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pursuant to the provisions of Sections 4.1 and 4.2, respectively, of this Purchase and Use Agreement; (ii) the Security Documents; (iii) utility, access and other easements and rights-of-way, restrictions and exceptions which do not interfere with or impair the use of the 2021 Facilities, including rights or privileges in the nature of easements; (iv) any financing statements filed to perfect security interests pursuant to this Purchase and Use Agreement or the Trust Agreement; and (v) the matters described on Exhibit C.

"Project Fund" means the fund of such name established pursuant to Section 5.2 of the Trust Agreement.

"Purchase Option Price" means an amount equal to the amount required to defease or otherwise discharge the Bonds under the Trust Agreement plus the amount of any Additional Payments which are due or accrued hereunder at the time which any purchase option hereunder is exercised.

"Purchase Price" means the sum of all Base Payments to be made hereunder, which Purchase Price may be recalculated in the event of any prepayment of Base Payments provided for in Section 9.1 hereof.

"Security Documents" means this Purchase and Use Agreement, the Base Lease, the Trust Agreement, financing statements, if any, and any other instruments or documents providing security for the Holders of the Bonds.

"Series 2021 Bond" means the Corporation's $[7,125,000] Installment Purchase Revenue Bond (City of Fountain Inn Project) Series 2021 issued under and by the terms of the Trust Agreement.

"State" means the State of South Carolina.

"Waiver Period" means the period of time commencing on the date an Event of Nonappropriation is deemed to occur and ending and including the date on the later of (i) the next following November 15 or (ii) the date on which the 2021 Reserve Account becomes fully depleted by the Trustee pursuant to the provisions of Section 5.5 of the Trust Agreement (provided, however, that such 2021 Reserve Account is deemed to be fully depleted when insufficient funds remain therein to make the payments required to be made to the Holders of the applicable Bonds on the subsequent Bond Payment Date); provided, however, that the Waiver Period shall in no event extend beyond the November 15 next following the date of the occurrence of an Event of Nonappropriation.

SECTION 1.2 Terms Defined in the Trust Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Trust Agreement unless the context clearly indicates to the contrary.

SECTION 1.3 City Representations, Warranties and Covenants. The City makes the following representations, warranties and covenants:

(a) The City is a body politic and corporate, and a political subdivision of the State and has full power and legal right to enter into this Purchase and Use Agreement and the Base Lease and to perform its obligations hereunder and thereunder. The City's actions in making and performing its obligations under this Purchase and Use Agreement and the Base Lease have been duly authorized by all necessary governmental action and will not violate or conflict with any law or governmental rule or regulation, or any mortgage, agreement, instrument or other document by which the City or its properties are bound.

(b) The City is a political subdivision within the meaning of Section 103(c)(1) of the Code.

(c) The City will take such action as is necessary to assure that the 2021 Projects are acquired and equipped and the Ancillary Projects are acquired, constructed, improved and equipped. In the event the amounts available from proceeds from the Series 2021 Bond appear to be insufficient for such purpose, the City will use its best efforts to take one or more of the following steps: (i) cooperate with the Corporation to make such modifications or changes in the 2021 Projects as will allow the cost thereof to be funded within the amount available from such Bond Proceeds, provided that the prior written consent of the Trustee shall be required to substantially reduce or alter the scope of the 2021 Projects; (ii) make arrangements with the Corporation for the sale of Additional Bonds, with the consent of the Holder of the Series 2021 Bond; or (iii) provide for the payment of such costs from other sources legally available to the City.

(d) The City will take such action as is necessary to ensure that proceeds of the Bonds, other than amounts set aside in the Trust Agreement for payment of costs of issuance, funding of reserves or payment of interest, are applied solely for the payment of the costs of the 2021 Projects and the Ancillary Projects.

(e) Except as provided in the last paragraph under Section 2.1 hereof, no portion of the 2021 Facilities will be used in the trade or business of a person who is not a "political subdivision" within the meaning of Section 103(c)(1) of the Code, without the written approval of Bond Counsel.

(f) The amounts, if any, spent by the City from its own funds to pay costs of the acquisition, renovation, improvement and construction of the 2021 Projects and the Ancillary Projects for which the Corporation will repay the City from Bond Proceeds were not expended more than 60 days prior to the date of adoption by the City Council of the ordinance authorizing the financing of the 2021 Projects, enacted [August 12, 2021] ("Ordinance"), and expressing the intent to enter into this Purchase and Use Agreement, except with respect to certain preliminary expenditures for architectural, engineering, surveying, soil testing and similar costs.

(g) There is no fact that has not been disclosed to the Initial Purchaser or the Corporation which will materially and adversely affect the properties, activities, operations, revenues, prospects or condition (financial or otherwise) of the City, its status as a political subdivision of the State within the meaning of Section 103(c)(1) of the Code, its ability to own and operate its property in the manner such property is currently operated or its ability to perform its obligations under this Purchase and Use Agreement or the Base Lease.

(h) There are no proceedings pending or, to the knowledge of the City, threatened against or affecting the City, except as disclosed to the Initial Purchaser and the Corporation, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, operations, prospects or condition (financial or otherwise) of the City, or the corporate existence or powers or ability of the City to enter into and perform its obligations under this Purchase and Use Agreement or the Base Lease.

(i) The execution and delivery of this Purchase and Use Agreement and the Base Lease (collectively, the "City Agreements"), and the consummation of the transactions provided for herein and therein, and compliance by the City with the provisions of the City Agreements:

(1) are within the governmental powers and have been duly and validly authorized by all necessary governmental and other action on the part of the City;

(2) do not and will not conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, loan agreement or other agreement or instrument, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the City other than this Purchase and Use Agreement or any governmental restriction to which the City is a party or by which the City, its properties or operations may be bound or with the giving of notice or the passage of time or both would constitute such a breach or default or result in the creation or imposition of any such lien, charge or encumbrance, which breach, default, lien, charge or encumbrance could materially and adversely affect the validity or the enforceability of the City Agreements or the City's ability to perform fully its obligations under the City Agreements; nor will such action result in any violation of any laws, ordinances, governmental rules or regulations or court or other governmental orders to which the City, its properties or operations are subject.

(j) No event has occurred and no condition exists that constitutes an Event of Default or which, upon the execution and delivery of this Purchase and Use Agreement, and/or the passage of time or giving of notice or both, would constitute an Event of Default. The City is not in violation in any material respect, and has not received notice of any claimed material violation (except such violations as do not, and shall not, have any material adverse effect on the transactions herein contemplated and the compliance by the City with the terms hereof, or the Security Documents), of any terms of any court order, statute, regulation, ordinance, agreement, or other instrument to which it is a party or by which it, its properties or its operations may be bound.

(k) This Purchase and Use Agreement is a legal, valid and binding obligation and agreement of the City, enforceable against the City in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity; anything herein to the contrary notwithstanding, this Purchase and

Use Agreement is subject in its entirety to the right of the City to terminate this Purchase and Use Agreement and all the terms and provisions hereof by failing to budget and appropriate moneys specifically to pay Installment Payments, as provided in Sections 2.2, 4.6 and 4.7 hereof.

(l) The use and the operation of the 2021 Facilities in the manner contemplated will not conflict in any material respect with any zoning, water or air pollution or other ordinance, order, law, rule, or regulation applicable to the 2021 Facilities including, without limitation, Environmental Laws. The City has caused or will cause the 2021 Facilities to be designed in accordance with all applicable federal, State and local laws or ordinances (including rules and regulations) relating to zoning, planning, building, safety and environmental quality. The City will operate or will cause the 2021 Facilities to be operated in compliance with the requirements of all such laws, ordinances, rules and regulations, including, without limitation, Environmental Laws. The City further covenants and agrees to comply in all material respects with, or use its reasonable efforts to cause other persons whose obligations it is to so comply by contract or pursuant to law to comply in all material respects with and materially conform to all present and future laws, statutes, codes, ordinances, orders, judgments, decrees, injunctions, rules, regulations and every applicable governmental authority, including Environmental Laws applicable to the 2021 Facilities, and all covenants, restrictions and conditions now or hereafter of record which may be applicable to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of the 2021 Facilities, including building and zoning codes and ordinances (collectively, the "Legal Requirements"), provided that the City shall not be in default hereunder so long as the City promptly after receiving an actual written notice of any noncompliance, files a copy thereof with the Trustee and the City commences and uses its diligent efforts to cause compliance with such Legal Requirements, so long as the failure to comply does not subject the 2021 Facilities to any material danger of being forfeited or lost as a result thereof. The City possesses or will possess, and the City hereby agrees to maintain and obtain in the future, all necessary licenses and permits, or rights thereto, to operate the 2021 Facilities as proposed to be operated, and all such licenses, permits or other approvals required in connection with the operation of the 2021 Facilities have been duly obtained and are in full force and effect except for any such licenses, permits or other approvals that are not yet required and that will be duly obtained not later than the time required or the failure to obtain which will not materially and adversely affect the operation of the 2021 Facilities. The City covenants and agrees to do all things necessary to preserve and keep in full force and effect its franchises, rights, powers and privileges as the same relate to the 2021 Facilities.

(m) The City has approved the Corporation and the issuance by the Corporation of the Bonds.

(n) The City has not terminated any lease, lease-purchase agreement or installment purchase agreement by nonappropriation.

(o) The officer of the City at any time charged with the responsibility for formulating budget proposals shall include in the budget proposals for review and consideration by the City Council in any Fiscal Year in which this Purchase and Use Agreement shall be in effect, budget items sufficient to pay all Installment Payments required for such Fiscal Year under this Purchase and Use Agreement.

(p) Reserved.

(q) The City agrees that it will furnish to the Trustee and the Holder of the Series 2021 Bond (a) current audited financial statements in reasonable detail, with supporting schedules (the "Audit"), which may be in electronic .PDF format, as soon as practicable after City's acceptance thereof and in any case within 270 days after the end of each Fiscal Year, and (b) the City's annual budget as submitted or approved. In the event the Audit is filed on the Municipal Securities Rulemaking Board's "EMMA" website, the City may email a link to the posted Audit to the Holder within such 270-day period to satisfy this requirements with respect to the Audit as set forth in this subsection. So long as the Initial Purchaser is the Bondholder, the electronic Audit or EMMA link may be sent to the following email address (or such other address as the Initial Purchaser supplies to the City in writing): [ ]. The City shall furnish to the Holder of the Series 2021 Bond such other financial information as it may reasonably request. In the event that the Audit is not available within 270 days of fiscal year end, the City will furnish unaudited financial statements to the Trustee and the Holder of the Series 2021 Bond in the manner described in this paragraph within such period, and will then supply the Audit immediately upon the availability thereof.

(r) The Trustee shall have the right to receive such additional information as it may reasonably request.

(s) The City will allow the Trustee to discuss the affairs, finances and accounts of the City or any information which the Trustee may reasonably request regarding the security for the Bonds with appropriate officers of the City, and will grant the Trustee access to the facilities, books and records of the City on any business day upon reasonable prior notice.

(t) The Trustee shall have the right, if the Trustee has a reasonable basis to believe that the financial position of the City has materially deteriorated or financial irregularities have occurred since the date of the most recently provided annual audit, or that such audit fails to accurately set forth the financial position of the City, to direct the City to cause to be prepared a financial report at the City's expense in form and content acceptable to the Trustee, and the City shall comply with such direction within 30 days after written notice of such direction from the Trustee; provided, however, that if compliance cannot occur within such period, then such period will be extended with the prior consent of the Trustee so long as compliance is begun within such period and diligently pursued.

SECTION 1.4 Corporation Representations, Warranties and Covenants. The Corporation makes the following representations, warranties and covenants:

(a) The Corporation is a duly organized and validly existing nonprofit corporation created under the laws of the State, has the requisite power to carry on its present and proposed activities, and has full power, right and authority to enter into this Purchase and Use Agreement, the Trust Agreement and the Base Lease and to perform each and all of the obligations of the Corporation provided therein.

(b) The Corporation has taken or caused to be taken all requisite corporate action to authorize the execution and delivery of, and the performance of its obligations under, this Purchase and Use Agreement, the Base Lease, the Trust Agreement and each of the Acquisition and Construction Contracts to which it is or will be a party.

(c) By proper corporate action, the officers of the Corporation have been duly authorized to execute and deliver this Purchase and Use Agreement, the Base Lease and the Trust Agreement.

(d) The execution and delivery by the Corporation of this Purchase and Use Agreement, the Base Lease and the Trust Agreement and the consummation by the Corporation of the transactions contemplated hereby and thereby have not and will not conflict with or constitute a breach of or default under the Corporation's articles of incorporation or bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement, or instrument to which the Corporation is a party or by which it is bound.

(e) Each of this Purchase and Use Agreement, the Base Lease, the Trust Agreement and each Acquisition and Construction Contract to which the Corporation is or will be a party has been or will be duly executed and delivered by the Corporation and constitutes or will constitute a legal and valid obligation of the Corporation, enforceable against the Corporation in accordance with its terms, except as enforcement may be limited by laws affecting creditors' rights generally and except as equitable remedies may be limited by judicial discretion.

(f) Other than as disclosed to the Initial Purchaser and the City, there is no litigation pending and served on the Corporation that challenges the Corporation's authority to execute, deliver or perform its obligations under this Purchase and Use Agreement and the Corporation has disclosed any threatened litigation with respect to such matters of which the Corporation is aware.

(g) The Corporation is in material compliance with all applicable laws, regulations and ordinances, including but not limited to those applicable to the Corporation's activities in connection with this Purchase and Use Agreement.

(h) The Corporation is a South Carolina nonprofit, public benefit corporation, no part of the net income of which inures to the benefit of any private individual or organization.

(i) To finance the 2021 Projects and the Ancillary Projects, the Corporation will enter into the Trust Agreement, pursuant to which it will issue the Series 2021 Bond payable from and secured by the Installment Payments under this Purchase and Use Agreement.

(j) The Corporation covenants that it will not alter its Articles of Incorporation or its By-Laws in any manner without first providing the City and the Trustee an opinion of nationally-recognized bond counsel that such alteration will not cause the Bonds to become subject to registration under the Securities Act of 1933.

ARTICLE II
INSTALLMENT SALE AND USE OF 2021 FACILITIES AND TERM HEREOF

SECTION 2.1 Installment Sale and Use of 2021 Facilities; Term. The Corporation hereby agrees to sell the 2021 Facilities to the City in accordance with the provisions hereof. On the date hereof, the Corporation has a valid leasehold interest in the 2021 Real Property and holds fee title, or will hold fee title upon the acquisition and construction thereof, to the 2021 Facilities. Upon each payment of Base Payments title to an undivided interest in the 2021 Facilities equal to that percentage of the Purchase Price represented by such payment will transfer from the Corporation to the City without further action by either party.

In conjunction therewith, the Corporation hereby conveys and grants to the City an undivided interest in the 2021 Facilities, which undivided interest shall increase pro rata based on the percentage of the Purchase Price represented by each Base Payment. At the request of the City, the Corporation agrees to execute such quitclaim or special warranty deed(s) or bills of sale to the City indicating the undivided interest so acquired by the City.

Any prepayment of Base Payments which is used to redeem the Bonds will result in a recalculation of the Purchase Price to take account of such prepayment and, upon the making of such prepayment, the City shall be credited with an undivided interest in the 2021 Facilities equal to that percentage of the total Purchase Price, as adjusted, represented by the total of all Base Payments made, including the prepayment on such date.

Subject to the provisions of Article VIII hereof, the City shall have the exclusive right to occupy and use the 2021 Facilities during the term hereof. Subject to the provisions of Sections 2.2 and 2.3 hereof, this Purchase and Use Agreement shall be for a term beginning with the date of execution and delivery hereof, and ending on [December 1, 2040.]

During the term hereof, the City may permit other civic or charitable organizations or agencies of the State or any political subdivision thereof to use portions of the 2021 Facilities subject to the following limitations: (i) no agreement may be for a term in excess of one year; (ii) the 2021 Facilities shall not be used in any manner that interferes with the use of such property by the City for the purposes for which it was designed or is then being used; (iii) any such agreement shall expressly terminate upon the occurrence of an Event of Default or an Event of Nonappropriation hereunder; and (iv) the City shall monitor all such use to ensure continued compliance with the provisions of the Tax Certificate and Section 5.3 hereof.

SECTION 2.2 Termination. The term of this Purchase and Use Agreement shall terminate upon the earliest of any of the following events:

(a) The occurrence of an Event of Nonappropriation, such occurrence to be determined in accordance with the definition of such term given in this Purchase and Use Agreement, which Event of Nonappropriation is not thereafter duly waived or cured within the Waiver Period;

(b) The purchase by the City of the 2021 Facilities as provided in Article IX of this Purchase and Use Agreement;

(c) The occurrence of an Event of Default under and termination of this Purchase and Use Agreement by the Corporation or Trustee under Article VIII of this Purchase and Use Agreement; or

(d) [December 1, 2040], which date constitutes the last day of the term hereof, or such later date as all Installment Payments due hereunder shall be paid.

Termination of this Purchase and Use Agreement shall terminate all obligations of the City under this Purchase and Use Agreement, including its obligations to pay future Installment Payments and other amounts that have not been appropriated (excluding, however, amounts payable under Section 2.3 hereof and other amounts specifically provided for herein), subject to identification as provided in Section 2.4 hereof, shall terminate the City's rights of possession under this Purchase and Use Agreement of the Corporation Facilities (except to the extent of any conveyance pursuant to Article IX of this Purchase and Use Agreement); but all other provisions of this Purchase and Use Agreement, including all obligations of the Corporation with respect to the Holders of the Bonds and the receipt and disbursement of funds and all rights and remedies of the Corporation specifically provided herein, shall be continuing until the Trust Agreement is discharged as provided therein. Notwithstanding the foregoing, termination of the term of this Purchase and Use Agreement shall not impair the City's rights as landlord or the Corporation's rights as tenant under the Base Lease, except as provided in the Base Lease.

SECTION 2.3 Holdover Terms. In the event the City fails to deliver possession to the Corporation of the Corporation Facilities or any part thereof pursuant to Section 2.4 hereof, the City shall be unconditionally liable for the payment of all Installment Payments, including Additional Payments, for successive six month periods commencing on the Bond Payment Date following the last due date of Base Payments hereunder until the City delivers possession of the Corporation Facilities to the Corporation. The obligations of the City under this Section 2.3 shall not in any manner constitute a pledge of the full faith, credit or taxing power of the City within the meaning of any State constitutional or statutory provision.

SECTION 2.4 Surrender of Possession Upon Termination; Partition of Undivided Interests. Upon the occurrence of an Event of Default or an Event of Nonappropriation which results in termination hereof or upon termination of all rights of the City hereunder and at the written direction of the Trustee, the City and the Corporation shall proceed to partition the 2021 Facilities so that the percentage of undivided interests in the title to the 2021 Facilities will be converted, to the extent feasible, into like percentages of title to entire Facilities Components in accordance with <u>Exhibit E</u> hereof and the following provisions. The date upon which the Trustee gives such written direction shall be the "Partition Date."

<u>Division of 2021 Facilities</u>. Within a reasonable time after the Partition Date, the Trustee shall

propose the division of the 2021 Facilities. The Trustee may in its sole discretion select a Partition Consultant to assist, consult with and make recommendations to the Trustee in the division of the 2021 Facilities. The Trustee may rely conclusively on the recommendation of the Partition Consultant. The Trustee and the Partition Consultant, if selected, shall endeavor, to the extent practicable, to allocate 2021 Facilities between the City and the Corporation in a fair and equitable fashion taking into account the following factors: (1) entire Facilities Components, if possible, will be assigned to each of the City and the Corporation; and (2) if portions of the 2021 Facilities and Facilities Components will be assigned to each of the Corporation and the City, the Trustee and the Partition Consultant, if selected, shall propose such partition as will, in the aggregate, best protect the interests of the Holders (subject to the provisions of this Section 2.4).

Valuation of Facilities Components and 2021 Facilities. For purposes of any partition, the 2021 Facilities are valued in the respective amounts as set forth on Exhibit E and the percentage of the 2021 Facilities being purchased on an annual basis are also set forth on Exhibit E hereof, each subject to adjustment as stated on Exhibit E. In allocating the 2021 Facilities to the percentage of undivided interests in the entire 2021 Facilities to be conveyed to the City or retained by the Corporation, such values and percentages shall be used rather than the current market or other valuation of Facilities Components associated therewith.

Partial Divisions. In the event that the Trustee and the Partition Consultant, if selected, are unable to devise a partition that results in complete Facilities Components being assigned to the City or the Corporation, then such partition shall be made so as to provide the City's and the Corporation's respective interests to be allocated to Facilities Components in a manner consistent with other provisions of this Section 2.4. The portion of a Facilities Component which is property allocated to the City but is not a complete Facilities Component shall be designated as a "City Partial Facilities Component." With respect to a City Partial Facilities Component, the City may (i) continue to occupy the entire Facilities Component which includes a City Partial Facilities Component if it agrees to make payments (as specified in Section 2.3) in amounts to be determined by the Trustee and the Partition Consultant, if selected, as the proper charge for use of the Corporation's interest in such Facilities Component ("Corporation Partial Facilities Component"); (ii) purchase the Corporation's interest in such Corporation Partial Facilities Component by the payment of the amount determined by the Trustee and Partition Consultant, if selected; or (iii) cede occupancy rights in the City Partial Facilities Component to the Corporation for the duration of the term of the Base Lease. In determining the purchase price if the City elects to purchase the Corporation's interest in a Corporation Partial Facilities Component, the Trustee and Partition Consultant, if selected, shall determine the prepayment amount that would be required under the second paragraph of Section 2.1 to result in a complete allocation of such Facilities Component to the City. In setting the payments to be made by the City if it chooses to continue to occupy the entire Facilities Component the Trustee and Partition Consultant, if selected, shall set a payment that is not less than the amount of total Base Payments allocable to such Facilities Component that would have been payable from and after the Partition Date if this Purchase and Use Agreement or the rights of the City hereunder had not been terminated.

Partition Report; Finality. The Trustee, and Partition Consultant, if selected, shall make a report regarding the division of the 2021 Facilities as soon as practicable after the Partition Date. In the discretion of the Trustee, the partition report shall be final and binding on all parties.

Instruments of Conveyance. Within a reasonable time (but in no event sooner than 30 or later than 60 days) after the partition report becomes final, the City and the Corporation shall exchange deeds or other instruments vesting title to such of the 2021 Facilities as is required to effect such partition; provided, however, that any conveyance deed or other instrument made by the Corporation shall be made in the manner and subject to the conditions set forth in Section 9.2 hereof. Immediately thereafter, the City shall deliver up or cause to be delivered up peaceable possession of the Corporation Facilities to the Corporation, together with the related portion of the 2021 Real Property, without delay, in good repair and operating condition, excepting reasonable wear and tear; provided, however, that in the event of a partial division, the terms relating to City Partial Facilities Components described above shall control. Any Facilities Component delivered to the Corporation in connection with such partition shall remain, at all times, subject to the terms of the Base Lease.

ARTICLE III
THE 2021 PROJECTS; FINANCING

SECTION 3.1 Purchase and Installation or Construction of the 2021 Projects. The Corporation and the City acknowledge that the City will be responsible for any and all Acquisition and Construction Contracts necessary or appropriate for the purchase and installation, or for any renovation, construction, installation, restoration, and reconstruction, to be performed in connection with the completion of the 2021 Projects and the Ancillary Projects and the City shall be the agent of the Corporation for all such purposes. The City may install machinery, equipment and other tangible personal property in the 2021 Facilities and all such machinery, equipment and other tangible personal property not acquired nor financed from Bond Proceeds will remain the sole property of the City.

SECTION 3.2 Administration of Acquisition and Construction Contracts. The City shall be responsible for preparing, administering, amending and enforcing the Acquistion and Construction Contracts to be entered into with respect to the 2021 Projects and for litigating or settling all claims thereunder. The City and the Corporation, as their interests may appear, will be entitled to the benefit of all warranties, guaranties and indemnities provided under the Acquisition and Construction Contracts and by law.

SECTION 3.3 Notices and Permits. The Corporation shall cooperate with the City to give or cause to be given all notices and shall comply or cause compliance with all laws, ordinances, municipal rules and regulations and requirements of public authorities applying to or affecting the conduct of any work relating to the 2021 Projects. The City will defend and save the Corporation, the Trustee and their respective members, directors, officers, agents and employees harmless from all liabilities, damages or fines due to failure to comply therewith.

SECTION 3.4 Disbursements from the Project Fund.

(a) The Bond Proceeds shall be deposited by the Trustee into the Project Fund in accordance with Section 5.1 of the Trust Agreement. Thereafter, disbursements from the Project Fund shall be made for costs of the 2021 Projects and the Ancillary Projects and for such other purposes contemplated by Section 5.3 of the Trust Agreement.

(b) As provided in Section 5.3(c) of the Trust Agreement, the final requisition from the Project Fund shall contain, among other things, a Certificate of Acceptance of the City stating that the 2021 Projects and the Ancillary Projects have been substantially completed in accordance with the applicable Acquisition and Construction Contracts and other terms and conditions of this Purchase and Use Agreement and the 2021 Projects and Ancillary Projects comply in all material respects with all applicable governmental regulations. Upon receipt of such Certificate of Acceptance, the Trustee shall apply any balance then remaining in the Project Fund in the manner provided in Section 5.4 of the Trust Agreement.

SECTION 3.5 Defaults Under Acquisition and Construction Contracts. In the event of any material default by a supplier, contractor or subcontractor under any of the Acquisition and Construction Contracts, or in the event of a material breach of warranty with respect to any property, fixtures, materials, workmanship or performance under any Acquisition and Construction Contract, the City and the Corporation shall promptly proceed, and may do so in conjunction with others, to pursue diligently such remedies as are available against the applicable supplier, contractor or subcontractor and/or against any surety of any bond securing the performance of the Acquisition and Construction Contracts. The Net Proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including without limitation, attorney's fees and costs), and after reimbursement to the City or the Corporation of any amounts theretofore paid by either of them, and not previously reimbursed, for correcting or remedying the default or breach of warranty which gave rise to the proceedings against the contractor or surety, shall be paid into the Project Fund if received before the Completion Date, or if received thereafter, shall be deposited as otherwise provided in Section 7.2 of this Purchase and Use Agreement or otherwise applied as provided in Section 7.3 of this Purchase and Use Agreement.

SECTION 3.6 Worker's Compensation Insurance. The City and the Corporation shall take such steps as are necessary to ensure that worker's compensation insurance is in force with respect to any Acquisition and Construction Contracts.

SECTION 3.7 Contractor's Performance and Payment Bonds. The City and the Corporation shall take such steps as are necessary to ensure that performance and payment bonds regarding contractor's performance and payment are provided in the same manner as would be applicable to any contracts of the City.

The Net Proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the performance and payment bonds remaining after deduction of expenses incurred in such recovery (including without limitation, attorney's fees and costs), and after reimbursement to the City and the Corporation of any amounts theretofore paid by either of them, and not previously reimbursed, for correcting or remedying the default or breach of warranty which gave rise to the proceedings against the contractor or surety, shall be paid into the Project Fund if received before the Completion Date, or if received thereafter, shall be deposited as otherwise provided in Section 7.2 of this Purchase and Use Agreement or otherwise applied as provided in Section 7.3 of this Purchase and Use Agreement.

SECTION 3.8 Contractor's General Public Liability and Property Damage Insurance. The City and the Corporation shall take such steps as are necessary to ensure that comprehensive general public and property damage liability insurance with respect to the 2021 Projects are provided in the same manner as would be applicable to any contracts of the City.

SECTION 3.9 Proceeds of Insurance Policies. The Net Proceeds of any insurance policies required by Section 3.8 hereof or any amounts recovered by way of damages, refunds, adjustments, proceeds or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including without limitation, attorney's fees and costs), and after reimbursement to the City or the Corporation of any amounts not to exceed $100,000 theretofore paid by the City or the Corporation and not previously reimbursed to the City or the Corporation for actions taken by the City or the Corporation to restore damaged portions of the 2021 Facilities to a condition necessary to secure the 2021 Facilities and prevent further loss shall be paid into the Project Fund before the Completion Date or, if received thereafter, shall either be deposited as provided in Section 7.2 of this Purchase and Use Agreement or otherwise applied as provided in Section 7.3 of this Purchase and Use Agreement; provided, however, such deposit shall not exceed the amount necessary to fulfill the obligations of the City under this Purchase and Use Agreement as determined by the Trustee.

SECTION 3.10 No Merger of 2021 Facilities. The Corporation and City confirm that the 2021 Facilities shall be property of the Corporation and title thereto shall remain vested in the Corporation and shall not merge into the leasehold estate of the Corporation in the 2021 Real Property, except that title to said 2021 Facilities shall revert to and be vested in the City upon termination of the Base Lease. Undivided interests in the 2021 Facilities shall be conveyed to the City from time to time as Base Payments are made as contemplated hereby in accordance with Section 2.1 hereof, or following termination hereof pursuant to Section 2.4 hereof.

ARTICLE IV
INSTALLMENT PAYMENTS; ASSIGNMENT TO TRUSTEE

SECTION 4.1 Installment Payments.

(a) Installment Payments to Constitute a Current Expense of City. The Corporation and the City understand and intend that the obligation of the City to pay Installment Payments hereunder shall constitute a current expense of the City and is dependent upon lawful appropriations of funds being made by the City Council to pay Installment Payments due in each fiscal year hereunder, and shall not in any way be construed to be a debt of the City in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the City, nor shall anything contained herein constitute a pledge of the general tax revenues, funds, moneys or credit of the City.

(b) Payment of Base Payments. Subject to an Event of Nonappropriation as described in Section 4.7 hereof, on or before the 15th day prior to each Bond Payment Date during the period this Purchase and Use Agreement is in effect, the City shall pay to the Trustee as assignee of the Corporation, Base Payments exclusively from moneys specifically budgeted and appropriated for such purpose, including proceeds of any general obligation bonds issued by the City for such purpose, in lawful money of the United States of America, which payments shall be made to the Trustee as assignee of this Purchase and Use Agreement, in the amounts set forth on Exhibit D. Each payment of Base Payments shall be in consideration for the conveyance of title to an undivided interest in the 2021 Facilities as and to the extent provided in Section 2.1 hereof. As further consideration for the receipt of Base Payments, the City shall be entitled to the use and occupancy of all of the 2021 Facilities for annual period commencing on the day such Base Payments are due.

(c) Payment of Additional Payments. The City agrees to pay, subject to the provisions of Section 4.7 hereof, the following amounts as Additional Payments together with such other sums as are provided for herein:

(i) The amounts provided for in Sections 4.2 and 4.4 hereof to the parties referred to therein;

(ii) Upon receipt of written notice from the Trustee pursuant to Section 5.5(e) of the Trust Agreement of a transfer from a subaccount of the Reserve Account established for a particular series of Bonds (as defined in the Trust Agreement) to the applicable subaccount of the Facilities Purchase Account, within the period of time specified in Section 5.5(e) of the Trust Agreement, or payment by the Trustee on the Reserve Policy, an amount equal to the amount so transferred from the applicable subaccount of the Reserve Account to the applicable subaccount of the Facilities Purchase Account;

(iii) Within the period of time specified in Sections 5.5(e) and 5.7(i) of the Trust Agreement, the amount of moneys necessary to re-establish a subaccount of the Reserve Account established for a particular series of Bonds at the applicable Reserve Requirement as may be required pursuant to said Sections 5.5(e) and 5.7(i);

(iv) All reasonable costs and expenses incurred or to be paid by the Corporation or the Trustee, as the case may be, under the terms of this Purchase and Use Agreement or the Trust Agreement, including without limitation the amounts specified in Section 4.4 hereof and amounts payable by the Corporation pursuant to or contemplated by repurchase, forward delivery or other investment agreements which are Eligible Investments under the Trust Agreement; and

(v) Amounts owed to the Trustee as provided for in the Trust Agreement.

The Corporation may, but shall be under no obligation to, advance moneys (i) to pay taxes, assessments and other governmental charges with respect to the 2021 Facilities, (ii) for the discharge of mechanic's and other liens relating to the 2021 Facilities, (iii) to obtain and maintain insurance for the 2021 Facilities and pay premiums therefor, and (iv) generally, to make payments and incur expenses in the event that the City fails to do so as required by this Purchase and Use Agreement or the Base Lease. As provided in Section 6.11 of the Trust Agreement, the Trustee may take any such action. Any such advances shall continue to be due as Additional Payments hereunder.

(d) Credits. The City shall be entitled to a credit against payments of Base Payments in the amount of any deposits in the Bond Fund provided for in the Trust Agreement. In addition to the credit provided in the preceding sentence, the amount payable by the City as Base Payments will be reduced by the amount of money in the applicable subaccount of the Facilities Purchase Account to be credited against those payments and representing Base Payments, including without limitation accrued interest on the Bonds to the extent such amounts will be used to make payments on the Bonds. In this connection, if applicable, when amounts remaining in a subaccount of the Reserve Account equal or exceed the remainder of the applicable Base Payments due, such amounts shall be transferred to the applicable subaccount of the Facilities Purchase Account as and when needed for payment of such Base Payments, and, pursuant to Section 5.5(f) of the Trust Agreement, when amounts remaining in a Reserve Sub-account exceed the applicable Reserve Requirement, such excess amounts shall be transferred to the applicable Facilities Purchase Sub-account as and when needed for payment of such Base Payments.

(e) Continuation of Term by City. The City has no reason to believe, as of the date hereof, that it will not continue making Installment Payments through the entire term of this Purchase and Use Agreement, and reasonably believes that (1) it will pay the Installment Payments due or coming due hereunder to continue to use the 2021 Facilities and (2) it presently has legal authority to budget and appropriate such amounts in its annual budget, as limited by applicable law, and it presently has, and will have, adequate capacity to issue general obligation debt that does not require voter approval in amounts sufficient and at times to pay Base Payments when due. The City further represents that it presently intends to maintain its capacity to issue general obligation debt that does not require voter approval, in amounts and at times sufficient to make Base Payments when due; provided, however, that nothing herein shall be construed to limit the City from providing funds from other sources to pay Base Payments. The representations contained herein are subject to the ability of the City to terminate this Purchase and Use Agreement and all obligations hereunder as provided in Section 4.7 hereof.

SECTION 4.2 Installment Payments Not Subject to Reduction, Offset or Other Credits.

(a) The City and the Corporation intend that this Purchase and Use Agreement shall yield, net, the Base Payments specified in Section 4.1 hereof during the term of this Purchase and Use Agreement, and that all costs, expenses, liabilities and obligations of any kind and nature whatsoever including, without limitation, any ad valorem taxes or other taxes levied against holders of real or personal property, insurance premiums, utility charges and assessments and all operation, maintenance, repair and upkeep expenses relating to the 2021 Facilities and the use of the 2021 Facilities which do not constitute Base Payments, or other obligations relating to the 2021 Facilities which may arise or become due during the term of this Purchase and Use Agreement and which the Corporation, except for this Purchase and Use Agreement or the terms of the Base Lease, would ordinarily be required to pay as owner of the 2021

Facilities (regardless of whether the City as owner would be so required to pay) shall either be paid under the provisions of the Base Lease or be included in the Installment Payments and paid by the City as Additional Payments. The City acknowledges that, under the provisions of the Base Lease, it has retained responsibility for the payment of taxes and insurance on the 2021 Facilities and the property associated therewith and the obligations of the City under the Base Lease are not subject to the limitations of Section 4.6 hereof.

(b) All payments of Additional Payments referred to in Section 4.2(a) above shall be made by the City in immediately available funds on a timely basis directly to the person or entity to which such payments are owed; provided, however, subject to the terms of the Security Documents, that the City shall not be required to pay, discharge or remove any tax, lien, or assessment, or any mechanic's, laborer's or materialman's lien or encumbrance, or any other imposition or charge against the 2021 Facilities or any part thereof, or comply with any law, ordinance, order, rule, regulation or requirement, as long as the City shall, after prior written notice to the Corporation and the Trustee, at the City's expense, contest the same or the validity thereof in good faith, by action or inaction which shall operate to prevent the collection of the tax, lien, assessment, encumbrance, imposition or charge so contested, or the enforcement of such law, ordinance, order, rule, regulation or requirement, as the case may be, and the sale of the 2021 Facilities or any part thereof to satisfy the same or to enforce such compliance; provided further, that the City shall have given reasonable security as may be demanded by the Corporation, the Trustee, or both, to insure such payment and prevent any sale or forfeiture of the 2021 Facilities or any part thereof by reason of such nonpayment or noncompliance.

(c) To the extent permitted by law, the City hereby agrees to indemnify, defend and hold the Corporation harmless from the payment of Additional Payments which may be deemed the obligation of the Corporation.

SECTION 4.3 Prepayment of Installment Payments. The City may prepay Installment Payments in whole or in part as provided and under the conditions prescribed in Sections 7.3 and 9.1(b) hereof, or at any time that the City so determines for the purpose of providing for the redemption of Bonds as provided in Section 4.1 of the Trust Agreement. The City shall notify the Trustee in writing of the dates on which the Bonds corresponding to any prepayment hereunder are to be redeemed and the amount to be redeemed on each such date, all in accordance with the provisions of the Trust Agreement. The Trustee may request such reasonable information and reports as may be necessary to establish the sufficiency of the payments to be made at the time of such prepayment.

SECTION 4.4 Administrative Expenses. Subject to the provisions of Section 4.7 hereof, the City shall pay as Additional Payments (i) the periodic fees and reasonable expenses from time to time of the Trustee and any Paying Agent incurred in administering the Trust Agreement and the Bonds, and (ii) any reasonable expenses, including reasonable attorneys' fees, incurred by the Corporation, the Trustee or the Holder of the Series 2021 Bond to compel full and punctual performance of this Purchase and Use Agreement in accordance with the terms hereof.

SECTION 4.5 Assignment of Purchase and Use Agreement, Manner of Payment. As security for and the source of payment of the Bonds, pursuant to the Trust Agreement, the Corporation has assigned to the Trustee all of its right, title and interest in and to this Purchase and Use Agreement, except for the right of the Corporation to receive indemnity against claims and payment of its fees and expenses pursuant to Sections 4.2, 4.4 and 5.5 hereof. The City consents and agrees to the assignment of this Purchase and Use Agreement as provided herein. The City covenants to fully perform, in timely fashion, all of its covenants, agreements and obligations under this Purchase and Use Agreement, and to make all payments required by the City under this Purchase and Use Agreement (other than payment for indemnity and fees and expenses of the Corporation) directly to the Trustee, all without set-off, defense or counterclaim by reason of any dispute which the City may have with the Corporation or the Trustee.

SECTION 4.6 Limited and Special Obligation of City. UPON THE OCCURRENCE OF AN EVENT OF NONAPPROPRIATION, THIS PURCHASE AND USE AGREEMENT MAY BE TERMINATED AS OF THE END OF THE LAST FISCAL YEAR WHICH IS NOT AFFECTED BY SUCH EVENT OF NONAPPROPRIATION, AND THE CITY SHALL NOT BE OBLIGATED TO MAKE PAYMENT OF THE INSTALLMENT PAYMENTS PROVIDED FOR IN THIS PURCHASE AND USE AGREEMENT BEYOND THE END OF SUCH FISCAL YEAR (EXCEPT AS OTHERWISE PROVIDED HEREIN). If this Purchase and Use Agreement is terminated under this Section 4.6 or as provided in Section 4.7 or Section 2.2, the City agrees to peaceful delivery of that portion of the 2021 Facilities to be retained by the Corporation or its assigns as provided in Section 2.4 hereof.

THE OBLIGATIONS OF THE CITY TO MAKE INSTALLMENT PAYMENTS REQUIRED UNDER THIS ARTICLE IV AND OTHER SECTIONS HEREOF, AND TO PERFORM AND OBSERVE THE COVENANTS AND AGREEMENTS CONTAINED HEREIN, SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS, EXCEPT AS EXPRESSLY PROVIDED UNDER THIS PURCHASE AND USE AGREEMENT. Notwithstanding any dispute involving the City and any of the Corporation, contractor, subcontractor, or supplier of materials or labor, or any other person, the City shall make all Installment Payments when due and shall not withhold any Installment Payments pending final resolution of such dispute, nor shall the City assert any defense or right of set-off, recoupment, or counterclaim against its obligation to make such payments required under this Purchase and Use Agreement. The City's obligation to make Installment Payments during the term of this Purchase and Use Agreement shall not be abated through accident or unforeseen circumstances. The City agrees not to suspend, reduce, abrogate, diminish, postpone, modify, discontinue, withhold, or abate any portion of the payments required pursuant to this Purchase and Use Agreement by reason of any defects, malfunctions, breakdowns, or infirmities of the 2021 Facilities, failure of the Corporation to complete the acquisition, construction, or installation of the 2021 Projects, failure of the City to occupy or to use the 2021 Facilities as contemplated in this Purchase and Use Agreement or otherwise, any change or delay in the time of availability of the 2021 Facilities, any acts or circumstances which may impair or preclude the use or possession of the 2021 Facilities, any defect in the title, design, operation, merchantability, fitness, or condition of the 2021 Facilities or in the suitability of the 2021 Facilities for the City's purposes or needs, failure of consideration, the invalidity of any provision of this Purchase and Use Agreement, any acts or circumstances that may constitute an eviction or constructive eviction, destruction of or damage to the 2021 Facilities, the taking by eminent domain of title to or the use of all or any part of the 2021 Facilities, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either thereof or in the rules or regulations of any governmental authority, or any failure of the Corporation to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Purchase and Use Agreement. Nothing contained in this paragraph shall be construed to release the Corporation from the performance of any of the agreements on its part herein contained. In the event the Corporation should fail to perform any such agreement on its part, the City may institute such action against the Corporation as the City may deem necessary to compel performance so long as such action does not abrogate the City's obligations under this Purchase and Use Agreement. The City may, however, at its own cost and expense and in its own name or in the name of the Corporation, prosecute or defend any action or proceeding or take any other action involving third persons which the City deems reasonably necessary to secure or protect its right of possession, occupancy, and use under this Purchase and Use Agreement, and in such event the Corporation hereby agrees to cooperate fully with the City and to take all action necessary to effect the substitution of the City for the Corporation in any such action or proceeding if the City shall so request. It is the intention of the parties that the payments required by this Purchase and Use Agreement will be paid in full when due without any delay or diminution whatsoever, subject only to the special and limited nature of the City's obligation to pay installment payments hereunder as set forth above.

THE OBLIGATIONS OF THE CITY UNDER THIS PURCHASE AND USE AGREEMENT SHALL NOT CONSTITUTE A PLEDGE OF THE FULL FAITH, CREDIT OR TAXING POWER OF THE CITY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL OR STATUTORY PROVISION.

SECTION 4.7 Event of Nonappropriation. Upon the occurrence of an Event of Nonappropriation, the following provisions shall apply:

(a) If an Event of Nonappropriation occurs and is not waived, the City shall not be deemed to be in default under this Purchase and Use Agreement and shall not be obligated to make payment of any future Installment Payments due hereunder or any other payments provided for herein which accrue after the beginning of the Fiscal Year with respect to which there has occurred an Event of Nonappropriation; provided, however, that, subject to the limitations of Section 4.6 hereof and this Section 4.7, the City shall continue to be liable for Installment Payments (a) accrued prior to the beginning of such Fiscal Year, and due hereunder, and (b) allocable to any period during which the City shall continue to occupy the Corporation Facilities as provided in Section 2.3 hereof.

(b) If the City delivers official, specific written notice to the Corporation and the Trustee that it will not appropriate funds in the next succeeding Fiscal Year for payment of Installment Payments, the Trustee shall promptly give written notice to the City, the Corporation and the Holder of the Series 2021 Bond stating that an Event of Nonappropriation has occurred; but any failure of the Trustee to give such written notice shall not prevent the Trustee from declaring an Event of Nonappropriation or from taking any remedial action which would otherwise be available to the Trustee.

(c) Subject to Article VIII hereof and the provisions of subsections (d) and (e) hereof, this Purchase and Use Agreement will be terminated pursuant to Section 2.2 hereof.

(d) Subject to Article VIII hereof and the provisions of subsection (e) hereof, the Corporation or the Trustee, with the prior written consent of the Holder of the Series 2021 Bond, may waive any Event of Nonappropriation which is cured by the City within a reasonable time if the Waiver Period has not expired and in the Trustee's judgment such waiver is in the best interest of the Holders of the Bonds.

(e) Subject to Article VIII hereof and notwithstanding the provisions of subsection (d) hereof, the Trustee, with the prior written consent of the Holder of the Series 2021 Bond, shall waive any Event of Nonappropriation (but only an Event of Nonappropriation which occurs pursuant to clause (a) of the second sentence of the definition thereof) which is cured by the City's specifically budgeting and appropriating, prior to expiration of the Waiver Period, moneys sufficient to pay Installment Payments coming due hereunder for such Fiscal Year.

The City, in all events, shall cooperate with the Corporation and the Trustee in making the partition required under Section 2.4 hereof and shall vacate and deliver over to the Trustee the Corporation Facilities by the later of (a) the end of the Waiver Period, or (b) when required by the last paragraph of Section 2.4 hereof.

The Trustee shall, upon receipt of notice of the occurrence of an Event of Nonappropriation, be entitled to all moneys then on hand and being held in all funds created under the Trust Agreement for the benefit of the Holders of the Bonds. After the expiration of the Waiver Period, the Trustee may or shall, as the case may be, proceed to exercise its remedies, liquidate its interest in this Purchase and Use Agreement or lease the 2021 Facilities as provided in Section 8.2 of this Purchase and Use Agreement, provided, however, that the 2021 Facilities shall always be operated for a civic or a public purpose as provided in Section 4.1 of the Base Lease to the extent such requirement continues to be applicable under State law. All property, funds and rights acquired by the Trustee by reason of an Event of Nonappropriation as provided herein, less any moneys due and owing to the Trustee for services performed as Trustee, shall be held by the Trustee for the benefit of the Holders of the Bonds as set forth in the Trust Agreement.

Notwithstanding anything in this Purchase and Use Agreement to the contrary, in the event that the Trustee shall receive a payment for the transfer of its interest in this Purchase and Use Agreement, or total rental payments for leasing that are, after the payment of the Corporation's expenses in connection therewith, including attorneys' and other fees and expenses of the Trustee, and all other amounts which are payable hereunder, in excess of the principal amount of the Outstanding Bonds at the time of the Event of Nonappropriation and the interest due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then such excess shall be paid to the City by the Trustee, its assigns or its lessee.

ARTICLE V
COVENANTS OF THE CITY

SECTION 5.1 Maintenance and Operation of 2021 Facilities; Transfers.

(a) Subject to Sections 4.6 and 4.7 herein, the City covenants and represents that during the term of this Purchase and Use Agreement, it shall, at its own cost or expense, operate the 2021 Facilities in a sound and economical manner, in compliance with all present and future laws and governmental regulations applicable thereto, and maintain, preserve and keep the 2021 Facilities in good repair, working order and condition, and that it shall from time to time make or cause to be made all necessary and proper repairs and renewals so that at all times the operation of the 2021 Facilities may be properly and advantageously conducted. This covenant shall not prevent the City from discontinuing operation of the 2021 Facilities at any time.

(b) Except as otherwise provided in this Section 5.1 and Section 2.1 hereof, prior to payment of the Bonds in full, the City shall not sell, transfer, lease, sublease or otherwise dispose of all or any portion of the 2021 Facilities, or its interests under this Purchase and Use Agreement, except to another governmental entity, as defined under the laws of the State, which assumes in writing all obligations of the City under this Purchase and Use Agreement and shall enter into no such transaction without the written consent of the Trustee.

(c) Notwithstanding any other provision hereof to the contrary, the City may provide for the exchange of any asset comprising the 2021 Facilities ("Released Facility") for another City facility and the real estate on which such facility ("Exchange Facility") is located if: (i) the City provides the Trustee and the Holder of the Series 2021 Bond an appraisal showing that the proposed Exchange Facility has a value equal to or greater than the proposed Released Facility; (ii) the City certifies to the Trustee and the Holder of the Series 2021 Bond that Exchange Facility is necessary or desirable to the operations of the City and that the remaining useful life of the Exchange Facility is not less than the remaining useful life of the Released Facility; (iii) the City certifies to the Trustee and the Holder of the Series 2021 Bond that the exchange is necessary to facilitate either the sale or other disposition of the Released Facility or the conversion of its use to another purpose other than use by the City as a city facility; (iv) the Trustee and the Holder of the Series 2021 Bond receive an opinion of Bond Counsel to the effect that the proposed exchange will not adversely affect the federal income tax treatment of interest paid to the Holders of the Bonds; and (v) the Trustee and the Holder of the Series 2021 Bond consent in writing thereto.

SECTION 5.2 Liens on 2021 Facilities. The City shall not create, incur or suffer to exist any lien, charge or encumbrance on the 2021 Real Property or the 2021 Facilities or its rights under this Purchase and Use Agreement other than any Permitted Encumbrance.

SECTION 5.3 Representations and Covenants Regarding Tax-Exempt Status of the Series 2021 Bond.

(a) Neither the Corporation nor the City shall take any action (including but not limited to any use of the 2021 Facilities or the Ancillary Projects) or permit any action to be taken on its behalf, or cause or permit any circumstance within its control to arise or continue, if such action or circumstance, or its expectation on the date of this Purchase and Use Agreement would cause the interest paid on the Series 2021 Bond to be includable in the gross income of the recipients thereof for federal income tax purposes.

(b) The City covenants to the Corporation, the Trustee and the Holder of the Series 2021 Bond that, notwithstanding any other provision of this Purchase and Use Agreement or any other instrument, it will neither make nor cause to be made any investment or other use of proceeds of the Series 2021 Bond or amounts on deposit in any of the funds or accounts held under the Trust Agreement or under any other document related to the Series 2021 Bond which would cause them to be "arbitrage bonds" under Section 148 of the Code and the regulations thereunder, and that it will comply with the requirements of such Section and regulations throughout the term of the Series 2021 Bond.

(c) The City shall take all actions necessary on its part to enable compliance with the rebate provisions of Section 148(f) of the Code to preserve the federal income tax status of payments of interest with respect to the Series 2021 Bond and or any other tax-exempt bonds related to the 2021 Facilities. The City shall ensure that the Corporation retains a consultant experienced in the calculation and determination of rebate payments and liability under Section 148(f) of the Code to provide the reports required under the Tax Certificate.

(d) The City will accept title to the 2021 Facilities upon the discharge of the Series 2021 Bond and any Additional Bonds.

SECTION 5.4 Reports and Opinions; Inspections.

(a) The City shall deliver to the Trustee and the Corporation, within 90 days after the end of each Fiscal Year, a certificate stating that no Event of Default under this Purchase and Use Agreement has occurred and is continuing and that the 2021 Facilities are being used in accordance with the terms of this Purchase and Use Agreement.

(b) The City shall permit the Corporation and the Trustee to examine, visit and inspect, at any reasonable time, the 2021 Facilities, and any accounts, books and records, including its receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, and to supply such reports and information as the Trustee may reasonably require.

SECTION 5.5 Immunity of Corporation and Trustee; Indemnification. In the exercise of the powers of the Corporation and the Trustee and their members, directors, officers, employees and agents under the Trust Agreement or this Purchase and Use Agreement including (without limiting the foregoing) the application of moneys and the investment of funds, neither the Corporation nor the Trustee shall be accountable to the City for any action taken or omitted with respect to the 2021 Facilities or the Ancillary Projects or this Purchase and Use Agreement by either of them or their members, directors, officers, employees and agents in good faith and believed by it or them to be authorized or within the discretion or rights or powers conferred under this Purchase and Use Agreement. The Corporation and the Trustee and their members, officers, employees and agents shall be protected in its or their acting upon any paper or documents believed by it or them to be genuine, and it or they may conclusively rely upon the advice of counsel and may (but need not) require further evidence of any fact or matter before taking any action. No recourse shall be had by the City for any claims based on the Trust Agreement or this Purchase and Use Agreement against any member, director, officer, employee or agent of the Corporation or the Trustee alleging personal liability on the part of such person. To the extent permitted by law, the City shall defend the Corporation and any of its members, directors, officers, employees or agents and save them harmless against any liability, including expenses and legal or other fees, intended to be precluded by this Section 5.5 resulting from acts or omissions of the City or from acts or omissions of the Corporation or any of their members, directors, officers, employees or agents in connection with any acts taken pursuant to this Purchase and Use Agreement, except for fraud, deceit, or acts taken in bad faith or which are negligent.

SECTION 5.6 Compliance with Laws; Consolidation or Merger.

(a) With respect to the 2021 Facilities and any additions, alterations, or improvements thereto, the City will at all times comply with all applicable requirements of federal and state laws and with all applicable lawful requirements of any agency, board, or commission created under the laws of the State or of any other duly constituted public authority; provided, however, that the City shall be deemed in compliance with this Section 5.6 so long as it is contesting in good faith any such requirement by appropriate legal proceedings.

(b) Nothing in this Purchase and Use Agreement shall be construed to prevent the City from combining with one or more cities (as defined under the laws of the State) not parties to this Purchase and Use Agreement to form a consolidated or a merged city, provided that the consolidation or merged city enters into a written supplement, joined in by the Corporation, whereunder the consolidated or merged city assumes payment of Installment Payments and all other obligations of the City hereunder, thereupon such consolidated or merged city shall replace and become the City for all purposes of this Purchase and Use Agreement.

SECTION 5.7 Insurance and Condemnation Proceeds. The City shall not make any disposition nor direct the disposition of insurance or condemnation payments with respect to the 2021 Facilities in excess of $250,000 without the written consent of the Trustee except as may be required by the terms of the Security Documents or of any Permitted Encumbrances existing on the date hereof.

SECTION 5.8 Filing of Budget with Trustee. During the term of this Purchase and Use Agreement, the City shall file with the Trustee, within 15 days after the beginning of each Fiscal Year, a copy of the annual budget of the City for that Fiscal Year and, within fifteen days of adoption thereof, a copy of any bond ordinance, proceeds of which are to be used to pay Installment Payments. The Trustee shall have no duty to review or analyze any such Annual Budget and shall hold such Annual Budget solely as a repository for the benefit of the Bondholders. The Trustee shall not be deemed to have notice of any information contained therein or even of default which may be disclosed in any manner.

SECTION 5.9 Alterations of the 2021 Facilities; Removals. The City, in its discretion and at its expense, may remodel or make such additions, modifications and improvements to the 2021 Facilities as it may deem to be desirable; provided, that no such additions, modifications or improvements shall adversely affect the structural integrity or strength of, or materially interfere with the use and operations of, the 2021 Facilities. Any such changes shall not become and shall not be deemed to constitute part of the 2021 Real Property or the 2021 Facilities as the case may be.

In this connection, the City may remove any items of personal property constituting a part of the 2021 Facilities financed by a source of funds other than Bond Proceeds, provided that such removal of the personal property shall not materially diminish the value of the 2021 Facilities.

In the case of any removal as provided above or any removal of City property not constituting 2021 Facilities, the City shall repair any damage resulting from such removal.

SECTION 5.10 Reserved.

ARTICLE VI
INSURANCE

SECTION 6.1 Types of Insurance and Coverage Requirements.

(a) The City shall, commencing with the date that any items of personal property comprising the 2021 Facilities are delivered, or in the event that progress payments are to be made to the manufacturer thereof prior to the date of such delivery, commencing with the date of this Purchase and Use Agreement, and upon completion of any construction, reconstruction, renovation or remodeling incidental to the completion and installation of the 2021 Facilities, on all such improvements to the 2021 Facilities, maintain, as applicable, all-risk fire, extended coverage, vandalism, and malicious mischief insurance on the 2021 Facilities, with such deductible provisions as are acceptable to the Holder of the Series 2021 Bond. Such insurance shall name the Corporation and the Trustee as additional insureds or loss payees, as their interests may appear, be maintained for the term of this Purchase and Use Agreement and each policy shall be in an amount equal to the replacement value of the 2021 Facilities; provided that, on the third anniversary of the execution of this Purchase and Use Agreement and every three years thereafter, the City shall cause the preparation and pay for the expense of a certification of the maximum full insurable value of the 2021 Facilities by an independent insurance agent or a person or company knowledgeable in such matters and shall deliver such certification to the Trustee.

(b) The City shall, to the extent required by law or good business practice, maintain for the term of this Purchase and Use Agreement, general liability insurance, worker's compensation insurance, disability insurance, and any other form of insurance, covering loss resulting from injury, sickness, disability or death of employees in amounts at least equal to those carried by institutions of similar size and nature.

(c) The City shall maintain, for the term of this Purchase and Use Agreement, general liability insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from the death or bodily injury of persons or damage to the property of others caused by accident or occurrence (including contractual liability endorsement), with limits of not less than $800,000 per occurrence and not less than $1,000,000 in the aggregate for claims made in any one year on account of injury of any one person, and $250,000 for property damage per occurrence with an aggregate property damage limitation of not less than $500,000, excluding liability imposed upon the City by any applicable worker's compensation law. Such insurance shall name the Corporation and the Trustee as additional insureds or loss payees, as their interests may appear.

(d) All policies of insurance required hereunder shall be written by the South Carolina Municipal Insurance and Risk Financing Fund, companies rated not lower than "A" by A. M. Best Company or in one of the three highest rating categories by S&P or Moody's Investors Service, Inc. ("Moody's"), or by companies accetpable to the Holder of the Series 2021 Bond, in each case qualified to do business in the State and each policy shall provide at least 30 days prior written notice to the Corporation and the Holder of the Series 2021 Bond before such policy is canceled. The City may provide any part or all of the insurance required hereby under the terms of a policy insuring other facilities or risks or any "blanket" policy. The City covenants that it will take all action, or cause the same to be taken, which may be necessary to enable recovery under the aforesaid insurance policies.

(e) All policies of insurance required hereby shall be open to inspection by the Corporation, the Trustee and the Holder of the Series 2021 Bond at all reasonable times. Certificates of insurance describing such policies shall be furnished by the City to the Corporation and the Holder of the Series 2021 Bond when such policies are required to be obtained by this Section 6.1 and at least 10 days prior to the expiration of each of such policies. The City shall certify that it is in compliance with the provisions hereof at or prior to the execution and delivery of this Purchase and Use Agreement. If any change shall be made in such insurance as to either amount or type of coverage, a description and notice of such change shall be furnished immediately to the Corporation and the Holder of the Series 2021 Bond by the City or it shall cause the same to be so furnished. In the event that the City fails to maintain any insurance as provided in this Section 6.1, the Trustee may, upon such notice to the City as is reasonable under the circumstances, procure and maintain such insurance at the expense of the City (reimbursable as provided hereinbefore), but the Trustee shall not be under an obligation to do so.

SECTION 6.2 Self-Insurance Approval. If, at the time of execution of this Purchase and Use Agreement, the City self-insures or at any time hereafter desires to self-insure to the extent permitted by law, the entry into such self-insurance program shall require the written approval of the Corporation and the Holder of the Series 2021 Bond.

ARTICLE VII
DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

SECTION 7.1 Damage, Destruction and Condemnation. If, during the term of this Purchase and Use Agreement, (i) the 2021 Facilities or any portion thereof shall be destroyed (in whole or in part), or be damaged by fire or other casualty, or (ii) title to, or the temporary or permanent use of, the 2021 Facilities or any portion thereof or the estate of the City or the Corporation (as applicable) in the 2021 Facilities or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, or (iii) a material defect in construction or installation of the 2021 Facilities or any portion thereof shall become apparent, or (iv) title to or the use of all or any portion of the 2021 Facilities shall be lost by reason of a defect in title thereto, then the City shall be obligated, subject to the option provided in Section 7.3 hereof and the provisions of Sections 4.6 and 4.7 hereof, to continue to pay the amounts specified as Installment Payments under this Purchase and Use Agreement.

SECTION 7.2 Obligation to Repair or Replace the 2021 Facilities. Subject to the provisions of Section 7.3 hereof, the City, the Corporation and the Trustee shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards made available by reason of any occurrence described in Section 7.1 hereof, to be deposited as provided in Sections 3.5, 3.7 or 3.8, as the case may be, hereof prior to the Completion Date or, after the Completion Date, in a separate trust fund designated as the "Net Proceeds Fund" which the Trustee is hereby directed to establish in such event. Except as set forth in Section 7.3 hereof, all Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, improvement or replacement of the 2021 Facilities by the City upon receipt of requisitions acceptable to the Trustee signed by an authorized official of the City stating with respect to each payment to be made: (i) the requisition number; (ii) the name and address of the person, firm or corporation to whom payment is due; (iii) the amount to be paid; and (iv) that each obligation mentioned therein has been properly incurred, is properly payable from the Net Proceeds held in the separate trust fund and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation; provided, that the Trustee is provided with an opinion of Bond Counsel to the effect that such other application of Net Proceeds will not adversely affect the tax-exempt status of the Series 2021 Bond. In carrying out any of the provisions of this Section 7.2, the City shall have all power and authority granted under Article III of this Purchase and Use Agreement; and the Trustee shall cooperate with the City in the administration of such fund and shall not unreasonably withhold its approval of requisitions required by this Section 7.2. The balance of any such Net Proceeds remaining after such repair, restoration, modification, improvement or replacement has been completed shall be applied to any lawful and authorized purpose of the City as directed in writing by the City; provided, there is delivered to the Trustee an opinion of Bond Counsel to the effect that such application of Net Proceeds will not adversely affect the tax-exempt status of the Series 2021 Bond or any tax-exempt Additional Bonds. Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of such Net Proceeds shall be included as part of the 2021 Facilities under this Purchase and Use Agreement and the Trust Agreement.

If the Net Proceeds (plus any amounts withheld from such Net Proceeds by reason of any deductible clause) shall be insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the 2021 Facilities referred to above, the City shall be responsible, subject to the option contained in Section 7.3 hereof, for the completion of the work and the payment of any cost in excess of the amount of the Net Proceeds. In this connection, the City agrees that, if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of this paragraph, the City shall not be entitled to any reimbursement therefor from the Trustee or the Holders of the Bonds, nor shall the City be entitled to any diminution of any Installment Payments payable under this Purchase and Use Agreement.

SECTION 7.3 Discharge of Obligation to Repair or Replace the 2021 Facilities. If, as a result of the occurrence of an event described in Section 7.1 hereof, (a) any part of the 2021 Facilities is totally destroyed or is damaged to such an extent that the rebuilding or repairing of such part of the 2021 Facilities would be impracticable, (b) there is discovered a material defect in the construction of the 2021 Facilities or any portion thereof that renders the 2021 Facilities or such portion unusable by the City for its intended purposes, (c) all or substantially all of the 2021 Facilities relating to a particular building is taken by eminent domain or (d) the City is deprived of the use of any part of the 2021 Facilities by reason of a defect in title thereto, the City may elect to apply the Net Proceeds of applicable insurance policies, performance bonds or condemnation awards as a prepayment of Installment Payments and the discharge of its obligations with respect to Sections 7.1 and 7.2 hereof; provided, however, that there shall be delivered to the Trustee, as a condition to any such prepayment, an opinion of Bond Counsel to the effect that such prepayment would not adversely affect the tax-exempt status of the Series 2021 Bond. Such an election may be made by written notice to the Corporation and the Trustee within 90 days of the occurrence of an event described in (a) through (d) above. Upon any such prepayment, the amount thereof shall be applied to redeem the Series 2021 Bond at the earliest practicable date pursuant to Section 4.1(b) of the Trust Agreement and the Purchase Price shall be recalculated to take account of such prepayment. Upon any such prepayment of the Series 2021 Bond, title to the affected part of the 2021 Facilities shall be deemed transferred to the City and in the event of any future partition under Section 2.4 hereof, such affected part of the 2021 Facilities shall be automatically assigned to the City. If at any time the amount to be applied as a prepayment hereunder shall exceed the redemption price of the Series 2021 Bond, the Series 2021 Bond shall be redeemed, title to all the 2021 Facilities shall be transferred to the City and any amounts not required for the redemption of the Series 2021 Bond and payment of other expenses and amounts under the Trust Agreement shall be paid to the City.

SECTION 7.4 Cooperation of the Parties. The Corporation, the City and the Trustee shall cooperate fully with each other in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Section 7.1 of this Purchase and Use Agreement, in making the Net Proceeds available in accordance with Section 7.2 or 7.3 hereof and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the 2021 Facilities or any portion thereof and in the enforcement of all warranties relating to the 2021 Facilities. The Corporation hereby designates the City as its agent for the purpose of making collections under such policies, such amounts to be held in trust and applied in accordance herewith. In no event shall the Corporation voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim, performance or payment bond claim, prospective or pending condemnation proceeding with respect to the 2021 Facilities or any portion thereof without the written consent of the City and the Trustee.

ARTICLE VIII
DEFAULTS AND REMEDIES

SECTION 8.1 Events of Default. Each of the following events is hereby defined as, and declared to be and shall constitute, an "Event of Default":

(a) failure by the City to make any payment required to be made pursuant to Section 4.1(b) hereof within five days after the same is due (provided, however, that an Event of Nonappropriation shall not result in an Event of Default under this provision);

(b) failure by the City to timely comply with the provisions of Section 2.4 hereof relating to partition and vacating of 2021 Facilities at the times required;

(c) failure by the City to make any payment required to be made pursuant to Section 4.1(c), 4.2 or 4.4 hereof or under the provisions of the Base Lease within 10 days after the same is due;

(d) failure by the City to observe and perform any other covenant, condition or agreement on its part to be observed or performed under this Purchase and Use Agreement for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the City by the Trustee;

(e) if any of the representations and warranties of the City hereunder shall prove to be false or misleading in any material respect as of the date such representations and warranties were made;

(f) failure by the City promptly to stay or lift any execution, garnishment or attachment of such consequence as will, in the reasonable judgment of the Trustee, materially impair its ability to carry out its obligations under this Purchase and Use Agreement (provided that the City shall not be in default so long as it is diligently prosecuting a bona fide appeal from any such execution, garnishment or attachment);

(g) if the City shall (i) apply for or consent to the appointment of a receiver, trustee, or the like of the City or of property of the City, or (ii) admit in writing the inability of the City to pay its debts generally as they become due, or (iii) make a general assignment for the benefit of creditors, or (iv) be adjudicated as bankrupt or insolvent, or (v) commence a voluntary case under the United States Bankruptcy Code or file a voluntary petition seeking reorganization, an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or (vi) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the United States Bankruptcy Code; or

(h) if there shall have occurred an event of default under any Supplemental Purchase and Use Agreement or with respect to any series of Additional Bonds.

The foregoing provisions of this Section 8.1 are subject to the following provision: If, by reason of Force Majeure, the City shall be unable in whole or in part to carry out any agreement on its part herein contained, other than the obligations on the part of the City contain in Articles IV and VI of this Purchase and Use Agreement, the City shall not be deemed in default during the continuance of such inability. The City agrees, however, to remedy, as promptly as legally and reasonably possible, the cause or causes preventing the City from carrying out its agreements, provided that the settlement of strikes, lookouts or other industrial disturbances shall be entirely within the discretion of the City.

SECTION 8.2 Remedies. Subject at all times to the rights of the City under Section 2.1 hereof as to portions of the 2021 Facilities it has so acquired, whenever any Event of Default referred to in Section 8.1 of this Purchase and Use Agreement shall have happened and be continuing, the Corporation (with written notice promptly given to the Trustee) and the Trustee may terminate the term of this Purchase and Use Agreement and shall give notice to the City to vacate the Corporation Facilities within 30 days from the date of such notice. Whenever an Event of Nonappropriation shall be deemed to occur, the term of this Purchase and Use Agreement shall terminate pursuant to Section 2.2(a) hereof and the City shall vacate and deliver over to the Trustee possession of the Corporation Facilities by the time specified in the third paragraph of Section 4.7 hereof.

The Trustee may also (i) take whatever action at law or in equity which may appear necessary or desirable to enforce its rights in and to the 2021 Facilities under the Security Documents, subject, however, to the limitations set forth herein, and (ii) exercise all the rights and remedies of a secured party under the South Carolina Uniform Commercial Code.

In addition, the Trustee may, or at the direction of the Holder of the Outstanding Bonds shall, without any further demand or notice, and subject to the terms of the Base Lease, including without limitation, the provisions in Section 4.1 of the Base Lease which provide that the Corporation Facilities shall always be operated for a civic or public purpose to the extent such requirement continues to be applicable under State law, take one or both of the following additional remedial steps:

(i) The Trustee may liquidate its interest in this Purchase and Use Agreement or sell or assign its interest in the Base Lease; or

(ii) The Trustee may relet or assign its rights to the Corporation Facilities under such terms and conditions as it deems appropriate for the benefit of the Holders of the Bonds.

Notwithstanding anything in this Purchase and Use Agreement to the contrary, (1) in the event of termination of the City's interest in any portion of the 2021 Facilities and subsequent thereto the Trustee shall receive a payment for the transfer of its interest in this Purchase and Use Agreement or total rental payments for leasing that are, after the payment of the Corporation's expenses in connection therewith, including fees and expenses of the Trustee, and the payment in full of amounts owed to the Trustee, in excess of the principal amount of the Outstanding Bonds at the time of the Event of Default or Event of Nonappropriation and the interest due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then such excess shall be paid to the City by the Trustee, its assigns or its lessee and (2) the Trustee shall not be permitted to sell, lease or otherwise dispose of any interest in the Corporation Facilities following an Event of Nonappropriation until the Waiver Period has expired, unless such action is expressly subject to the rights of the Corporation, Trustee or the City, as the case may be, to waive such Event of Nonappropriation.

SECTION 8.3 Limitations on Remedies. A judgment requiring a payment of money may be entered against the City by reason of an Event of Default or Event of Nonappropriation only as to the City's liabilities described in Section 10.1 of this Purchase and Use Agreement.

SECTION 8.4 Cumulative Rights. No remedy conferred upon or reserved to the Corporation or the Trustee by this Purchase and Use Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Purchase and Use Agreement or now or hereafter existing at law or in equity or by statute. No waiver by the Corporation or the Trustee of any breach by the City of any of its obligations, agreements or covenants hereunder shall be deemed a waiver of any subsequent breach, or a waiver of any other obligation, agreement or covenant, and no delay or failure by the Corporation or the Trustee to exercise any right or power 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 by the Corporation or the Trustee from time to time and as often as may be deemed expedient.

SECTION 8.5 Discontinuance of Proceedings. In case the Corporation or the Trustee shall have proceeded to enforce any right under this Purchase and Use Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Corporation or the Trustee, then and in every such case the City, the Corporation and the Trustee shall be restored respectively to their several positions and rights hereunder and all rights, remedies and powers of the City, the Corporation and the Trustee shall continue as though no such proceeding had been taken.

ARTICLE IX
CONVEYANCE OF THE 2021 FACILITIES

SECTION 9.1 Optional Purchase of the 2021 Facilities.

(a) Purchase in Full. The City is hereby granted the option to terminate this Purchase and Use Agreement and to purchase the Corporation's interest in the 2021 Facilities not theretofore acquired by the City at any time upon payment by the City of the then applicable Purchase Option Price; provided, however, that no such termination shall relieve the City from its obligation to pay Administrative Expenses as provided in Section 4.4 hereof until the Bonds have been fully discharged and the Trust Agreement terminated. The City shall notify the Corporation and the Trustee of its intention to exercise this option, on or before the 45th day preceding the date of such purchase or such later date as may be acceptable to the Trustee, but in no event later than the 30th day preceding the date of such purchase, and shall provide funds for such prepayment or such other assurance thereof as may be acceptable to the Trustee. Upon the payment of the Purchase Option Price, the Corporation shall transfer and convey all of its remaining interest in the 2021 Facilities to the City in the manner provided in Section 9.2 hereof.

(b) Prepayment of Installment Payments and Purchase. The City is also granted the option to prepay Installment Payments on any date that the Series 2021 Bond may be prepaid, and subject to the terms and restrictions for prepayment, under the provisions of the Trust Agreement for the purpose of having such prepayments credited towards the purchase price of the 2021 Facilities. The City shall notify the Corporation and the Trustee of its intention to exercise this option, on or before the 45th day preceding the date of such prepayment or such later date as may be acceptable to the Trustee, but in no event later than the 30th day preceding the date of such prepayment, and shall provide funds for such prepayment or such other assurance thereof as may be acceptable to the Trustee and the Holder of the Series 2021 Bond.

SECTION 9.2 Manner of Conveyance.

(a) Complete Conveyance. At the closing of any purchase or other conveyance of all of the 2021 Facilities pursuant to Section 9.1 (a) of this Purchase and Use Agreement, or at the conclusion of the term hereof by the payment of all amounts due hereunder, the Corporation and the Trustee shall execute and deliver to the City all necessary documents assigning, transferring and conveying all interest to the 2021 Facilities by an instrument terminating the Base Lease and this Purchase and Use Agreement and quit claim or special warranty deed, as the case may be, in the form as mutually agreed to by the Trustee, the Corporation and the City, subject to the following:

(i) Permitted Encumbrances, other than this Purchase and Use Agreement and the Trust Agreement;

(ii) all liens, encumbrances and restrictions created or suffered to exist by the Corporation and the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement or arising as a result of any action taken or permitted to be taken by the Corporation or the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement; and

(iii) any lien or encumbrance created by action or inaction of or consented to by the City.

(b) Partial Conveyance Resulting from Partition. Upon any conveyance under Section 2.4 hereof, the Corporation and the Trustee shall execute and deliver to the City all necessary documents assigning, transferring and conveying all interest in the City Facilities by an instrument terminating the Base Lease and this Purchase and Use Agreement with respect to the City Facilities and quit claim or special warranty deed, as the case may be, in the form as mutually agreed to by the Trustee, the Corporation and the City, subject to the following:

(i) Permitted Encumbrances, other than this Purchase and Use Agreement and the Trust Agreement;

(ii) all liens, encumbrances and restrictions created or suffered to exist by the Corporation and the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement or arising as a result of any action taken or permitted to be taken by the Corporation or the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement; and

(iii) any lien or encumbrance created by action or inaction of or consented to by the City.

(c) Partial Conveyance Resulting from Prepayment. Any conveyance resulting from a partial prepayment under Section 9.1(b) hereof shall be made in the manner as all other conveyances with respect to payments on each Bond Payment Date.

Neither the Trustee nor the Corporation shall be responsible for the recordation of any deed or other instrument for such purposes.

ARTICLE X
MISCELLANEOUS

SECTION 10.1 Limitation of Liability of the Corporation and the City. Notwithstanding any other provision of this Purchase and Use Agreement, in the event of any default by either the Corporation or the City hereunder or under the Trust Agreement, any liability of the Corporation or the City shall be enforceable only out of its interest in the Base Lease and under this Purchase and Use Agreement and the moneys to be paid by the City through the later of the end of the Fiscal Year as to which Base Payments have been appropriated for or the conclusion of any holdover term as provided in Section 2.3 hereof, and there shall be no recourse for any claim based on this Purchase and Use Agreement, the Trust Agreement or the Bonds, against any other property of the Corporation or the City or against any officer or employee, past, present or future, of the Corporation or the City or any successor body as such, either directly or through the Corporation or the City or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, and the liability of the Corporation and the City shall be limited to its interests in the Base Lease and interests under this Purchase and Use Agreement and the moneys to be paid by the City hereunder through the later of the end of the Fiscal Year as to which Base Payments have been appropriated therefor or the conclusion of any holdover term as provided in Section 2.3 hereof, and the lien of any judgment shall be restricted thereto, and there shall be no other recourse by the City against the Corporation or the Corporation against the City or any of the property now or hereafter owned by it or either of them.

SECTION 10.2 Surrender of Possession Upon Termination. Upon termination hereof or upon termination of all rights of the City hereunder, either by reason of an Event of Default or an Event of

Nonappropriation, the City covenants that it will deliver up or cause to be delivered up peaceable possession of such of the 2021 Facilities as are determined under Section 2.4 hereof to be Corporation Facilities together with the related portion of the 2021 Real Property without delay, upon demand made by the Corporation or the Trustee, in good repair and operating condition, excepting reasonable wear and tear and damage, injury or destruction by fire or other casualty which, under the terms hereof, shall not have been repaired, reconstructed or replaced.

SECTION 10.3 Notices. Notices hereunder shall be given to the addresses shown below or to such other address as shall be filed in writing with the parties as follows:

If to the City:
City of Fountain Inn, South Carolina
ATTN: City Administrator
200 North Main Street
Fountain Inn, South Carolina 29644

(with a copy to, which does not constitute notice)

David W. Holmes
Holmes Law Firm
712 N. Main Street
Greenville, South Carolina 29609

If to the Corporation:
Fountain Inn Facilities Corporation
Attention: President
c/o Registered Agent
1221 Main Street, Suite 1100
Columbia, South Carolina 29201

(with a copy to, which does not constitute notice)

Emily S. Luther
Parker Poe Adams & Bernstein LLP
1221 Main Street, Suite 1100
Columbia, South Carolina 29201

(with an additional copy to the City as described above)

If to the Trustee:
U.S. Bank National Association
Attention: Global Corporate Trust
1441 Main Street, Suite 775
Columbia, South Carolina 29201

If to the Holder of the Series 2021 Bond:
To the address for such Holder as shown in the Register maintained by the Trustee.

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Corporation, or the City to one or more of the others also shall be given to the others. The foregoing parties may designate, by notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent.

The Trustee and the Holder of the Series 2021 Bond are entitled to written notice of an Event of Default, no more than five Business Days after either the City or the Corporation has actual knowledge of the Event of Default. The Trustee is not deemed to have notice of any default or Event of Default (other than an Event of Default described in Section 8.1(a) hereof) unless it has received specific written notice of the same.

The Holder of the Series 2021 Bond shall also be provided with the following information by the City or the Corporation, as the case may be:

(i) Immediate notice of any Event of Nonappropriation;

(ii) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto;

(iii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to this Purchase and Use Agreement or the Base Lease; and

(iv) All reports, notices and correspondence to be delivered to the Trustee under the terms of this Purchase and Use Agreement and the Base Lease.

SECTION 10.4 Assignments. Except as expressly provided in the Trust Agreement, this Purchase and Use Agreement may not be assigned by either of the parties without the written consent of the other party and the written consent of the Trustee. Except as provided in Section 8.2 hereof and the provisions of Articles VI and VII of the Trust Agreement, the Trustee shall not be permitted to further assign its interest in this Purchase and Use Agreement. Any assignment in contravention hereof shall be void.

SECTION 10.5 Severability. In case any provision of this Purchase and Use Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, by any court or administrative body of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof and this Purchase and Use Agreement shall be construed as if such provision had never been contained herein.

SECTION 10.6 Amendments. The City and the Corporation may, with the prior consent of the Trustee, but without the consent of the Holder of any Bond (except as provided below), enter into any amendments at any time for any of the following purposes:

(a) To cure any ambiguity, defect or omission herein or in any amendment; or

(b) To grant to or confer upon the Corporation any additional rights, remedies, powers, authority or security that lawfully may be granted to or conferred upon it; or

(c) To add to the covenants and agreements of the City herein contained, or to surrender any right or power herein reserved to or conferred upon the City; or

(d) With the prior written consent of the Holder of the Series 2021 Bond, to increase the Base Payments hereunder to enable the City to proceed to acquire and install additional assets in addition to the 2021 Facilities or modify the Base Payments hereunder in connection with the issuance of Additional Bonds under the Trust Agreement or the redemption, refunding or defeasance of a series of Bonds; or

(e) To reflect a change in applicable law; or

(f) To make any amendments required by Moody's or S&P as a condition to rating the Bonds.

The City and the Corporation may, with notice to but without the prior consent of the Trustee, and without notice to or the consent of the Holder of any Bond (except for the Holder of the Series 2021 Bond, whose consent is required), enter into any amendments at any time and from time to time (i) amend the Ancillary Projects in Exhibit A, (ii) to add Additional Real Property to the description in Exhibit B, consistent with amendments made pursuant to Section 3.1 of the Base Lease, (iii) under the conditions specified in Section 5.1(c) hereof, to delete 2021 Real Property in connection with a substitution of other 2021 Real Property, (iv) to release property from the description of the 2021 Real Property described in Exhibit B, consistent with a termination of the Base Lease pursuant to Section 3.6 of the Base Lease, or (v) to revise the description of Permitted Encumbrances specified in Exhibit C in connection with the foregoing amendments.

All other amendments must be approved by the Trustee and, if and to the extent required by the Trust Agreement, the consent of the Holders of the Bonds.

The Trustee shall receive prior written notice of all such amendments.

SECTION 10.7 Successors and Assigns; Third-Party Beneficiaries. All covenants, promises and agreements contained in this Purchase and Use Agreement by or on behalf of or for the benefit of the City or the Corporation, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not. To the extent that this Purchase and Use Agreement confers upon, gives or grants to the Trustee or to the Holder of the Series 2021 Bond any right, remedy or claim under or by reason of this Purchase and Use Agreement, the Trustee and to the Holder of the Series 2021 Bond is explicitly recognized as being a third party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

SECTION 10.8 Applicable Law. This Purchase and Use Agreement shall be governed by, and interpreted under, the laws of the State of South Carolina.

SECTION 10.9 Recordation. At the option of the Corporation this Purchase and Use Agreement or a short form and summary hereof may be recorded in appropriate official records.

SECTION 10.10 Execution in Counterparts. This Purchase and Use Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

[Signature pages follow]

WITNESS the due execution of this Purchase and Use Agreement, effective, as of the day and the year first mentioned above.

<table>
<tr><td>(SEAL)</td><td>CITY OF FOUNTAIN INN, SOUTH CAROLINA</td></tr>
<tr><td>WITNESS:</td><td></td></tr>
<tr><td>____________________________________
____________________________________</td><td>By:____
George Patrick McLeer, Jr., Mayor
City of Fountain Inn, South Carolina</td></tr>
<tr><td>____________________________________
____________________________________</td><td>Attest:_____________________________________
Sandra Woods, City Clerk
City of Fountain Inn, South Carolina</td></tr>
<tr><td>(SEAL)</td><td>FOUNTAIN INN FACILITIES CORPORATION</td></tr>
<tr><td>____________________________________
____________________________________</td><td>By:____
[ ], President</td></tr>
<tr><td>____________________________________
____________________________________</td><td>Attest:_____________________________________
[ ], Secretary</td></tr>
</table>

STATE OF SOUTH CAROLINA	)	
	)	ACKNOWLEDGMENT
COUNTY OF GREENVILLE	)	

I ________________________________, Notary Public for the State of South Carolina, do hereby certify that George Patrick McLeer, Jr., Mayor of the City Council of the City of Fountain Inn, South Carolina, and Sandra Woods, City Clerk of the City of Fountain Inn, South Carolina, each personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the _____ day of August 2021.

____
Notary Public for South Carolina
My Commission Expires: __________________

STATE OF SOUTH CAROLINA)
) ACKNOWLEDGMENT
COUNTY OF GREENVILLE)

I _________________________________, Notary Public for the State of South Carolina, do hereby certify that [ ], President of the Fountain Inn Facilities Corporation and [ ], Secretary of the Fountain Inn Facilities Corporation, each personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the _____ day of August 2021.

____
Notary Public for South Carolina
My Commission Expires: __________________

EXHIBIT A

2021 PROJECTS AND ANCILLARY PROJECTS

2021 Projects

Construction of [ ] square foot Public Works Facility

Ancillary Projects

Streetscape projects including improvements to the Woodside Connector Trail and redevelopment of the historic Woodside Mill site.

EXHIBIT B

LEGAL DESCRIPTION OF THE 2021 REAL PROPERTY AND ANY ADDITIONAL REAL PROPERTY (AS MAY BE AMENDED ACCORDING TO SECTION 10.6 OF THIS PURCHASE AND USE AGREEMENT)

Public Works Facility

ALL that certain piece, parcel or lots of land, with buildings and improvements thereon, situate, lying and being in Greenville County, South Carolina, shown and designated as 9.28 acres (404,088 sq. ft.), more or less on that "SURVEY FOR RENEWABLE WATER RESOURCES" prepared by W.R. Williams Jr., PLS No. 001018, dated March 9, 2020 and recorded May 19, 2021 in the Register of Deeds Office for Laurens County, South Carolina in Plat Book A907 at Page 8. Reference is hereby made to said plat of record for a more complete and accurate description as to the metes and bounds, course, and distance as appear thereon.

This being a portion of the property conveyed to Western Carolina Regional Sewer Authority by Deed of the Town of Fountain Inn, dated August 13, 1987 and recorded September 1, 1987 in the Office of the Register of Deeds for Laurens County, South Carolina in Deed Book 241 at Page 970.

Laurens County TMS No.: a portion of 904-04-01-043

EXHIBIT B-1

CONVEYED IMPROVEMENTS

All existing improvements located on the 2021 Real Property and any Additional Real Property.

EXHIBIT C

PERMITTED ENCUMBRANCES

Any mortgages, liens, financing statements, security interests, easements, leases, restrictive covenants, agreements, options, claims, clouds, encroachments, rights, taxes, assessments, mechanic's or materialmen's liens (inchoate or perfected), and other encumbrances of any nature whatsoever, of record.

EXHIBIT D

BASE PAYMENTS SCHEDULE

Payment Date	Payment
11/16/2021	
11/16/2022	
11/16/2023	
11/16/2024	
11/16/2025	
11/16/2026	
11/16/2027	
11/16/2028	
11/16/2029	
11/16/2030	
11/16/2031	
11/16/2032	
11/16/2033	
11/16/2034	
11/16/2035	
11/16/2036	
11/16/2037	
11/16/2038	
11/16/2039	
11/16/2040	
Total	

EXHIBIT E

VALUATION OF 2021 FACILITIES*

Payment Date	% of 2021 Facilities Purchased	Aggregate % of 2021 Facilities Purchased
11/16/2021		
11/16/2022		
11/16/2023		
11/16/2024		
11/16/2025		
11/16/2026		
11/16/2027		
11/16/2028		
11/16/2029		
11/16/2030		
11/16/2031		
11/16/2032		
11/16/2033		
11/16/2034		
11/16/2035		
11/16/2036		
11/16/2037		
11/16/2038		
11/16/2039		
11/16/2040		
Total	**100.00%**	

*AFTER THE COMPLETION DATE AND THE FILING OF THE ACCEPTANCE CERTIFICATE IN ACCORDANCE WITH SECTION 3.04 HEREOF, THE ASSIGNED VALUES OF THE 2021 FACILITIES AND THE PERCENTAGES THEREOF BEING PURCHASED SHALL BE RECALCULATED BASED UPON FINAL CONSTRUCTION COSTS OF THE 2021 FACILITIES. NUMBERS MAY NOT ADD DUE TO ROUNDING.

Ordinance # 2021-8

CITY OF FOUNTAIN INN, SOUTH CAROLINA

TITLE: **AN ORDINANCE TO ENTER INTO A MUNICIPAL SERVICE AGREEMENT FOR THE PROVISION OF ELECTRIC SERVICE WITH DUKE ENERGY CAROLINAS, LLC, CONCERNING THE GRANT OF A FRANCHISE TO USE THE PUBLIC STREETS OF THE CITY FOR THE PROVISION OF ELECTRICITY AND TO AUTHORIZE THE MAYOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE CITY.**

WHEREAS, the City of Fountain Inn owns public streets and has the authority to grant a franchise for their use; and

WHEREAS, the City may enact ordinances and regulations which grant franchises for the use of public streets and make charges for them, provided the ordinances and regulations are consistent with the Constitution and general law of the state pursuant to S.C. Code Ann. 5-7-30; and

WHEREAS, Duke Energy provides electric service to customers in Greenville and Laurens Counties; and

WHEREAS, Duke Energy has asked that the City Council approve the Municipal Service Agreement for the Provision of Electric Service attached to this Ordinance, and grant a franchise to Duke Energy for the use of the public streets for the provision of electric service; and

WHEREAS, the Agreement calls for the payment of a franchise fee to the City in consideration of the grant of the franchise, which fee shall be in lieu of all taxes and fees the City assesses, with the exception of the payment of ad valorem property taxes and building permit fees; and

WHEREAS, The Fountain Inn City Council has determined that it is in the best interests of the City to approve the Municipal Service Agreement for the Provision of Electric Service and to authorize the Mayor to sign it;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FOUNTAIN INN, SOUTH CAROLINA, as follows:

SECTION 1. The Municipal Service Agreement for the Provision of Electric Service by and between the C ity of Fountain Inn and Duke Energy Carolinas, LLC, in substantially for form as shown on Exhibit A attached to this Ordinance as and incorporated herein by reference is hereby approved.

SECTION 2. The Mayor is hereby authorized to execute the Exclusive Service Area Agreement for Laurens County on behalf of the City.

SECTION 3.AUTHORIZATION. The Mayor, the City Administrator, and the City Clerk, for and on behalf of the City, acting jointly or individually, are fully empowered and authorized to take such further action as may be reasonably necessary to effect the amendments authorized by this Ordinance in accordance with the conditions herein set forth.

SECTION 4. REPEALER: All ordinances, orders, resolutions and parts thereof in conflict herewith are, but only to the extent of such conflict, are hereby REPEALED and this Ordinance shall take effect and be in full force from the Effective Date as set forth in Section 7.

SECTION 5. PROVISION SEVERAGE: If any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The CITY COUNCIL hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

SECTION 6. SAVINGS CLAUSE: Nothing in this ordinance hereby adopted shall be construed to affect any suit or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as stated in Section 1 of this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

SECTION 7. The CITY CLERK is hereby ordered and directed to cause this ordinance to be published according to law.

SECTION 8. EFFECTIVE DATE: This ordinance shall become effective upon final approval by Council after second reading and signing by the Mayor.

DONE in Regular Meeting duly assembled this ________ day of _________ 2021.

SIGNATURE OF MAYOR:

____
George Patrick McLeer

ATTEST:

____
Sandra H. Woods
City Clerk

APPROVED AS TO FORM:

____
David W. Holmes
City Attorney

FIRST READING: __________________
SECOND READING: _______________

FOUNTAIN INN est 1886	**REQUEST FOR COUNCIL ACTION** City of Fountain Inn, South Carolina To: Mayor and Members of City Council From: Shawn M. Bell, City Administrator	August 12, 2021 Regular City Council Meeting

☐ Ordinance/First Reading ☒ Ordinance/Second Reading ☐ Resolution/First & Final Reading

Agenda Date Requested: August 12, 2021

Ordinance/Resolution Caption:
An Ordinance to Provide for the Annexation of the Property Described Herein to the City Limits of the City of Fountain Inn; to Establish a Zoning Classification Therefor; to Assign the Annexed Property to a Council Ward; and Various Matters Related Thereto.

Summary Background:
AX2021-3 would annex approximately 70.7 acres at 1507 Scuffletown Road into the City limits of the Fountain Inn; zone P/O TMS# 0555010102202 to R-15, Residential District and assign parcel to Council Ward 4.

The Planning Commission voted unanimously (5-0) in favor of the annexation and zoning at the July 12, 2021 meeting.

The owner of the property, Greenville County School District, wish to annex the Rudolph G. Gordon School into the municipal limits of Fountain Inn (excluding 3.3 acres at the corner of Jones Mill Road and Scuffletown Road) in order to obtain a School Resource Officer for the K-12 facility.

Impact If Denied:
The parcel would remain in unincorporated Greenville County with two zoning categories, R-S Suburban and unzoned. The school and recent addition have already been constructed, but the Fountain Inn Police Department would be unable to provide the SRO outside their jurisdiction.

Impact If Approved:
The City limits will be increased by seventy acres in the northernmost portion of Fountain Inn. Rudolph G. Gordon School would be officially within the Fountain Inn and both Fountain Inn Police and Fire would provide assistance.

Financial Impact:
None as the institutional use of a school and ownership by the school district exempts taxes. Fountain Inn Fire already provides service to this area of the county. The city limits would be significantly increase but with no new residential population to serve.

No. AX 2021-3

ORDINANCE

AN ORDINANCE TO PROVIDE FOR THE ANNEXATION OF THE PROPERTY DESCRIBED HEREIN TO THE CITY LIMITS OF THE CITY OF FOUNTAIN INN; TO ESTABLISH A ZONING CLASSIFICATION THEREFOR; TO ASSIGN THE ANNEXED PROPERTY TO A COUNCIL WARD; AND VARIOUS MATTERS RELATED THERETO.

WHEREAS, the School District of Greenville County has filed a proper petition with the City of Fountain Inn using the 100 percent petition method concerning those parcels or tracts of land, which property is contiguous to the City limits petitioning for annexation of said property to the City of Fountain Inn under the provisions of S.C. Code Ann. § 5-3-150(3) and described as follows:

ALL those certain pieces, parcels or tracts of land containing 70.7 acres more or less, situate, lying and being on Scuffletown Road in the City of Fountain Inn, Greenville County, South Carolina, and described as follows:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE.

GREENVILLE COUNTY TMS # 0555010102202 P/O

and,

WHEREAS, it appears to the City Council that annexation would be in the best interest of the property owners and the City of Fountain Inn; and

WHEREAS, the notice and public hearing requirements of S.C. Code Section 5-3-150 (1) have been complied with;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Fountain Inn, South Carolina, as follows:

Section 1. **ANNEXATION:** That the property herein described is hereby annexed to and becomes a part of the City of Fountain Inn effective on the date of the passage of this Ordinance.

Section 2. **ZONING CLASSIFICATION:** The property herein described is hereby assigned the zoning classification of R-15, Residential District.

Section 3. **DISTRICT ASSIGNMENT:** The within described property shall be assigned to City Council Ward 4.

Section 4. **FLOOD RATE INSURANCE MAPS:** In accordance with the provisions of 44 CFR §64.4, in the event that the newly annexed area was previously located in a community participating in the NFIP Program, pending formal adoption of the amendment to its flood plain management regulations, the City hereby certifies that within the newly annexed area the flood plain management requirements previously applicable in the area remain in force. In the event that the newly annexed area was previously located in a community not participating in the NFIP Program, upon annexation, and pending formal adoption of the amendments to its flood plain management regulations, the City certifies that it shall enforce within the newly annexed area, existing flood insurance policies which shall remain in effect until their date of expiration may be renewed, and new policies may be issued.

Section 5. **AUTHORIZATION**. The Mayor, the City Administrator, and the City Clerk, for and on behalf of the City, acting jointly or individually, are fully empowered and authorized to take such further action as may be reasonably necessary to effect the actions authorized by this Ordinance in accordance with the conditions herein set forth.

Section 6. **EFFECTIVE DATE**. This Ordinance shall be effective upon second and final reading by the City Council.

DONE IN REGULAR MEETING THIS ___ DAY OF __________ 2021.

SIGNATURE OF MAYOR:

____
George Patrick McLeer

ATTEST:

____
Sandra H. Woods
City Clerk

APPROVED AS TO FORM:

____
David W. Holmes
City Attorney

FIRST READING: 8/5/2021
SECOND READING: 8/12/2021

EXEMPT

MAR - 4 2004 Space above this line for recording information

FILED
GREENVILLE, SC

2004 MAR -4 P 2:57

STATE OF SOUTH CAROLINA)
) TITLE TO REAL ESTATE
COUNTY OF GREENVILLE)

JUDY G. HIX
REGISTER OF DEEDS

KNOW ALL MEN BY THESE PRESENTS THAT, **JANE S. HOWIE AND HUGH T. SATTERFIELD,** herein referred to as Grantor for and in consideration of the sum of FIVE HUNDRED THIRTY FOUR THOUSAND FORTY TWO AND 00/100 ($534,042.00) Dollars, to me paid by **SCHOOL DISTRICT OF GREENVILLE COUNTY,** hereinafter referred to as Grantee in the State aforesaid, the receipt of which is hereby acknowledged, has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto the said Grantee, its successors, and assigns forever:

ALL that certain pieces, parcels or tract of land situate, lying and being in the State of South Carolina, County of Greenville, shown and designated as Tract 1, containing 59.338 Acres as shown on plat entitled "Survey for Greenville County School District" by Smith Surveyors, Inc., dated October 24, 2003 and recorded in the Register of Deeds Office for Greenville County, S.C., in Plat Book 43A at Page 31, reference being made hereto to said plat for the exact metes and bounds thereof.

This being the same property conveyed unto the Grantor herein by Deed of Distribution dated and recorded June 27, 2000 in the Office of the Register of Deeds for Greenville County in Deed Book 1916 at Page 672. Also by Deed of Distribution recorded February 21, 2003 in the Register of Deeds Office for Greenville County, S.C., in Deed Book 2027 at Page 1662. Also by deed from Ansel B. Satterfield dated February 23, 2004 and recorded ~~February~~ Mar 4, 2004 in the Register of Deeds Office for Greenville County, S.C., in Deed Book 2078 at Page 54.

This conveyance is made subject to any and all existing reservations, easements, rights of way, zoning ordinances, setback lines, and restrictions or protective covenants that may appear of record, on the recorded plat(s), or on the premises.

(17) 696 - 555.1 - 1 - 22.2

Grantee Address: 225 S. Pleasantburg Dr, Ste I-3
Greenville, SC 29607

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to the said premises belonging or in anywise incident or appertaining.

TO HAVE AND TO HOLD all and singular the premises before mentioned unto the said Grantees, their heirs, and assigns forever.

AND THE GRANTOR does hereby bind Grantor heirs, and the Grantor's heirs, executors and administrators, to warrant and forever defend all and singular the said premises unto the said Grantees, their and assigns, against Grantor and Grantor's heirs and against every person whomsoever lawfully claiming or to claim the same or any part thereof.

18801

WITNESS my Hand and Seal this 24th day of February, in the year of our Lord 2004

Signed, Sealed and Delivered
in the Presence of:

Jane S. Howie
Jane S. Howie

Sharon F. Hall

Hugh T. Satterfield
Hugh T. Satterfield
by Brenda S. Smith, POA

STATE OF SOUTH CAROLINA)
) ACKNOWLEDGMENT
COUNTY OF GREENVILLE)

I, a Notary Public, within and for the State and County aforesaid, do hereby certify that the foregoing instrument of writing was this day produced to me in the above State and County by the Principals and was executed and acknowledged to be the free act and voluntary deed of the Principals.

WITNESS my signature this 24th day of February, 2004.

Notary Public for South Carolina
My Commission expires: 3-11-08

Prepared by S. Allan Hill, Attorney at Law, 205 E. Broad Street, Greenville, SC 29601

STATE OF SOUTH CAROLINA)
COUNTY OF GREENVILLE)

AFFIDAVIT

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

1. I have read the information on this affidavit and I understand such information.

2. The property being transferred is located at 59.338 Acres, Satterfield Road, bearing GREENVILLE County Tax Map Number 555-01-01-022, was transferred by Jane S. Howie , Hugh T. Satterfield to School District of Greenville County on February 24, 2004.

3. Check one of the following: The deed is

   (a) _________ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth
   (b) _________subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
   (c) __X_______ exempt from the deed recording fee because (~~see Information section of affidavit~~Tran): #2. Transfer to School District
   (If exempt, please skip items 4 – 7, and go to item 8 of this affidavit)

If exempt under exemption #14 as described in the Information section of this affidavit, did the agent and principal relationship exist at the time of the original sale and was the purpose of this relationship to purchase the realty? Check Yes _____ or No ______

4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit):
   (a) _________ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of ________________________________.
   (b) _________ The fee is computed on the fair market value of the realty which is
   (c) _________ The fee is computed on the fair market value of the realty as established for property tax purposes which is ________________________________

5. Check Yes _______or No _______ to the following: A lien or encumbrance existed on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. If "YES" the amount of the outstanding balance of this lien or encumbrance is ______

6. The deed recording fee is computed as follows:
   (a) Place the amount listed in item 4 above here: ____________________
   (b) Place the amount listed in item 5 above here: ____________________
   (c) Subtract Line 6(b) from Line 6(a) and place results here ____________________

7. The deed recording fee due is based on the amount listed on Line 6© above and the deed recording fee due is: ______________________

8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: ________________________________

9. I understand that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not mere than one year, or both.

Responsible Person Connected with the Transaction

SWORN to before me this 24th day of
February, 2004
Sarah A Crosby (Seal)
Notary Public for South Carolina
My Commission Expires: 10-10-2013

INFORMATION

Except as provided in this paragraph, the term "value" means "the consideration paid or to be paid in money or money's worth for the realty." Consideration paid or to be paid in money's worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right The fair market value of the consideration must be used in calculating the consideration paid in money's worth. Taxpayers may elect to use the fair market value of the realty being

FILED FOR RECORD IN GREENVILLE
COUNTY SC R.O.D. OFFICE AT 02:57 PM
03 04 04 RECORDED IN DEED
BOOK 2078 PAGE 0062 THRU 0065
DOC # 2004018801 Judy A. Gilstrap

FOUNTAIN INN est 1886	**REQUEST FOR COUNCIL ACTION** City of Fountain Inn, South Carolina To: Mayor and Members of City Council From: Shawn M. Bell, City Administrator	August 12, 2021 Regular City Council Meeting

☒ Ordinance/First Reading ☐ Ordinance/Second Reading ☐ Resolution/First & Final Reading

Agenda Date Requested: August 12, 2021

Ordinance/Resolution Caption:
An Ordinance to Provide for the Annexation of the Property Described Herein to the City Limits of the City of Fountain Inn; to Establish a Zoning Classification Therefor; to Assign the Annexed Property to a Council Ward; and Various Matters Related Thereto.

Summary Background:
AX2021-4 would annex 0.60 acres on Brashier Drive into the City limits of the Fountain Inn; zone TMS# 0562010101310 to I-1, Industrial District and assign parcel to Council Ward 5.

The Planning Commission voted unanimously (4-0) in favor of the annexation and zoning at the August 2, 2021 meeting.

Fountain Inn City Council annexed Fox Hill Farms, the adjacent parcel, on November 14h 2020 (AX2019-03). This and two subsequent annexations in 2020 became the Fox Hill Business Park.

The corporation in care of the industrial park, Sudler Management, also own the subject parcel.

Impact If Denied:
The parcel would remain in unincorporated Greenville County and unzoned. Under construction, the parcel is being utilized as a portion of the detention/retention pond for the industrial park. Remaining outside the city boundaries limits the ability to lease, subdivide and/or unify the site under one zoning category in one jurisdiction.

Impact If Approved:
The City limits will contain the entirely of the current business park, and the property can be subdivided for tenant leasing and the dedication of several roads (Francis Marion Way, Innovation Drive) for the industrial campus.

Financial Impact:
Minor financial impact industrial construction already underway and parcel size under one acre. Tenant leasing (tax revenue) would be assisted, per the property owner, by adding this parcel to the city limits and increasing the park.

No. AX 2021-4

ORDINANCE

AN ORDINANCE TO PROVIDE FOR THE ANNEXATION OF THE PROPERTY DESCRIBED HEREIN TO THE CITY LIMITS OF THE CITY OF FOUNTAIN INN; TO ESTABLISH A ZONING CLASSIFICATION THEREFOR; TO ASSIGN THE ANNEXED PROPERTY TO A COUNCIL WARD; AND VARIOUS MATTERS RELATED THERETO.

WHEREAS, the Fox Hill Greenville, LLC, has filed a proper petition with the City of Fountain Inn using the 100 percent petition method concerning those parcels or tracts of land, which property is contiguous to the City limits petitioning for annexation of said property to the City of Fountain Inn under the provisions of S.C. Code Ann. § 5-3-150(3) and described as follows:

ALL those certain pieces, parcels or tracts of land containing 0.6 acres more or less, situate, lying and being on Brashier Drive in the City of Fountain Inn, Greenville County, South Carolina, and described as follows:

SEE EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF BY REFERENCE.

GREENVILLE COUNTY TMS # 0562010101310

and,

WHEREAS, it appears to the City Council that annexation would be in the best interest of the property owners and the City of Fountain Inn; and

WHEREAS, the notice and public hearing requirements of S.C. Code Section 5-3-150 (1) have been complied with;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Fountain Inn, South Carolina, as follows:

Section 1. **ANNEXATION:** That the property herein described is hereby annexed to and becomes a part of the City of Fountain Inn effective on the date of the passage of this Ordinance.

Section 2. **ZONING CLASSIFICATION:** The property herein described is hereby assigned the zoning classification of I-1, Industrial District.

Section 3. **DISTRICT ASSIGNMENT:** The within described property shall be assigned to City Council Ward 5.

Section 4. **FLOOD RATE INSURANCE MAPS:** In accordance with the provisions of 44 CFR §64.4, in the event that the newly annexed area was previously located in a community participating in the NFIP Program, pending formal adoption of the amendment to its flood plain management regulations, the City hereby certifies that within the newly annexed area the flood plain management requirements previously applicable in the area remain in force. In the event that the newly annexed area was previously located in a community not participating in the NFIP Program, upon annexation, and pending formal adoption of the amendments to its flood plain management regulations, the City certifies that it shall enforce within the newly annexed area, existing flood insurance policies which shall remain in effect until their date of expiration may be renewed, and new policies may be issued.

Section 5. **AUTHORIZATION**. The Mayor, the City Administrator, and the City Clerk, for and on behalf of the City, acting jointly or individually, are fully empowered and authorized to take such further action as may be reasonably necessary to effect the actions authorized by this Ordinance in accordance with the conditions herein set forth.

Section 6. **EFFECTIVE DATE**. This Ordinance shall be effective upon second and final reading by the City Council.

DONE IN REGULAR MEETING THIS ___ DAY OF ___________ 2021.

SIGNATURE OF MAYOR:

____
George Patrick McLeer

ATTEST:

____
Sandra H. Woods
City Clerk

APPROVED AS TO FORM:

____
David W. Holmes
City Attorney

FIRST READING: 8/12/2021
SECOND READING:

"EXHIBIT A"
LEGAL DESCRIPTION

ALL that certain piece, parcel or tract of land, situate, lying and being located in the State of South Carolina, County of Greenville and shown and designated as **Lot 10** on that certain plat entitled "Subdivision for S. L. Coleman Estate," prepared by J. D. Calmes, #1346, dated September, 1960 and recorded September 21, 1967 in the Office of the Register of Deeds for Greenville County, South Carolina in Plat Book RRR, Page 177, reference being made to said plat for a more complete and accurate description.

DERIVATION: This being a portion of the property conveyed to S.L. Coleman by deed of Nemma Westmoreland recorded December 31, 1917 in the RMC Office for Greenville County in Deed Book 44 at Page 147.

TMS No.: 0562010101310

2020064024
DEED Book: DE 2600 Page: 5573 - 5589 17 Pgs
August 13, 2020 12:06:48 PM Cons: $22,500.00
Rec: $15.00 Cnty Tax: $24.75 State Tax: $58.50
FILED IN GREENVILLE COUNTY, SC

-----------------------------SPACE ABOVE RESERVED FOR RECORDING PURPOSES-----------------------------

STATE OF SOUTH CAROLINA	)	**TITLE TO REAL ESTATE**
	)	**LIMITED WARRANTY DEED**
COUNTY OF GREENVILLE	)	

KNOW ALL PERSONS BY THESE PRESENTS, that **Walter H. Smith, Jr.; Caroline Smith Sherman; Rachel Coleman Thompson; Frances S. Coleman; Samuel B. Colelman; John S. Coleman; Mildred Huff Coleman; John Huff; Mary A. Huff; Dr. James Huff; and Shelley L. Coleman** (collectively, the "Grantor"), in consideration of TWENTY TWO THOUSAND FIVE HUNDRED AND NO/100 DOLLARS ($22,500.00) to Grantor in hand paid by **Fox Hill Greenville, LLC, a New Jersey limited liability company** ("Grantee"), the receipt of which is hereby acknowledged, SUBJECT TO any and all easements, restrictions, reservations, liens, taxes, rights-of-ways, conditions, covenants, and other matters of record affecting the property (collectively, the "Exceptions"), has granted, bargained, sold, and released, and by these present does grant, bargain, sell and release unto Grantee, its successors and assigns, forever, its entire right, title and interest in and to the following described property:

> All that certain piece, parcel or tract of land, situate, lying and being in Greenville County and more particularly described on **Exhibit A** attached hereto and incorporated herein by this reference.

Grantee's Address: c/o Sudler Management Corp., 245 Green Village Road, Chatham, New Jersey 07925-0039

Together with, subject to the Exceptions, all and singular, the rights, members, hereditaments and appurtenances to said premises belonging or in anywise incident or appertaining. To have and to hold, subject to the Exceptions, all and singular the premises before mentioned unto Grantee, its successors and assigns, forever. And Grantor does hereby bind itself and its successors and assigns to warrant and forever defend all and singular said premises, subject to the Exceptions, unto Grantee and its successors and assigns, against Grantor and against all persons lawfully claiming or to claim the same, or any part thereof, by, under or through Grantor and no others.

[*Signature and Acknowledgement Page Follows*]

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

_______________________(SEAL)
Walter H. Smith, Jr.

Barty O. Gross, Jr.
First Witness
Print Name: Barty O. Gross, Jr.

Kenneth Whitmire
Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that Walter H. Smith, Jr., personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

Kenneth Whitmire
NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY PUBLIC
Exp. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

Walter H. Smith, Jr.

______________________(SEAL)
Caroline Smith Sherman, by
Walter H. Smith, Jr., as Attorney-In-Fact

____
First Witness
Print Name: Bady O. Gross, Jr.

Kenneth Whitmire
____
Second Witness
Print Name: Keneth Whitmire

STATE OF SOUTH CAROLINA	)	
	)	**ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE	)	

I, the undersigned notary public, hereby certify that Caroline Smith Sherman by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

Kenneth Whitmire
____
NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY PUBLIC
Exp. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

Walter H Smith

_______________________(SEAL)
Rachel Coleman Thompson, by
Walter H. Smith, Jr., as Attorney-In-Fact

Barty O. Gross Jr.
First Witness
Print Name: Barty O. Gross, Jr.

Kenneth Whitmire
Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that Rachel Coleman Thompson by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

Kenneth Whitmire
NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY
PUBLIC
Exp. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

______________________(SEAL)
Frances S. Coleman, by
Walter H. Smith, Jr., as Attorney-In-Fact

First Witness
Print Name: Baety O. Gross, Jr.

Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that Frances S. Coleman by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY
PUBLIC
EXP. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

________________________(SEAL)
Samuel B. Coleman by
Walter H. Smith, Jr., as Attorney-In-Fact

____
First Witness
Print Name: Brady O. Gross, Jr.

____
Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that Samuel B. Coleman by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

____
NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY PUBLIC
Exp. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

_______________________(SEAL)
John S. Coleman, by
Walter H. Smith, Jr., as Attorney-In-Fact

____
First Witness
Print Name: Bucky O. Gross, Jr

____
Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that John S. Coleman by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

____
NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY
PUBLIC
Exp. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

_________________________(SEAL)
Mildred Huff Coleman, by
Walter H. Smith, Jr., as Attorney-In-Fact

____
First Witness
Print Name: Barty A Gross, Jr.

____
Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that Mildred Huff Coleman by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

____
NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE NOTARY PUBLIC Exp. June 12, 2027 SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

_________________________(SEAL)
John Huff, by
Walter H. Smith, Jr., as Attorney-In-Fact

____
First Witness
Print Name: Bucky O. Gross, Jr.

____
Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that John Huff by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

____
NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY
PUBLIC
Exp. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

_______________________(SEAL)
Mary A. Huff, by
Walter H. Smith, Jr., as Attorney-In-Fact

____
First Witness
Print Name: Brady O. Gross, Jr.

~~Kenneth Whitmire~~ Kenneth
____
Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that Mary A. Huff by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

Kenneth
____
NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY
PUBLIC
Exp. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

________________________(SEAL)
Dr. James Huff, by
Walter H. Smith, Jr., as Attorney-In-Fact

First Witness
Print Name: Barty O. Gross, Jr.

Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that Dr. James Huff by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY PUBLIC
Exp. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

WITNESS Grantor's hand and seal this 11th day of August, 2020.

SIGNED, sealed and delivered
in the presence of:

__________________________(SEAL)
Shelley L. Coleman, by
Walter H. Smith, Jr., as Attorney-In-Fact

____
First Witness
Print Name: Busty O. Gross, Jr.

____
Second Witness
Print Name: Kenneth Whitmire

STATE OF SOUTH CAROLINA)
) **ACKNOWLEDGEMENT**
COUNTY OF GREENVILLE)

I, the undersigned notary public, hereby certify that Shelley L. Coleman by Walter H. Smith, Jr, as Attorney-In-Fact, personally came before me this day and acknowledged the execution of the foregoing instrument as Grantor's act and deed.

WITNESS my hand and notarial stamp or seal, this 12th day of August, 2020.

____
NOTARY PUBLIC for State of South Carolina
Printed Name: Kenneth T. Whitmire
My Commission Expires: June 12, 2027

(SEAL)

KENNETH WHITMIRE
NOTARY
PUBLIC
Exp. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913512.2

"EXHIBIT A"
LEGAL DESCRIPTION

ALL that certain piece, parcel or tract of land, situate, lying and being located in the State of South Carolina, County of Greenville and shown and designated as **Lot 10** on that certain plat entitled "Subdivision for S. L. Coleman Estate," prepared by J. D. Calmes, #1346, dated September, 1960 and recorded September 21, 1967 in the Office of the Register of Deeds for Greenville County, South Carolina in Plat Book RRR, Page 177, reference being made to said plat for a more complete and accurate description.

DERIVATION: This being a portion of the property conveyed to S.L. Coleman by deed of Nemma Westmoreland recorded December 31, 1917 in the RMC Office for Greenville County in Deed Book 44 at Page 147.

S.L. Coleman died on December 22, 1943, devising a life estate interest in the property to his wife, Carrie S. Coleman, with a remainder interest in the property devised to his children: Agnes C. New, William F. Coleman, Broadus S. Coleman, Gene (Jean) C. Huff, and Marjorie C. Smith.

Agnes C. New died on November 14, 1992, devising all of her interest in the property to William F. Coleman, Broadus S. Coleman, Gene (Jean) C. Huff, and Marjorie C. Smith.

William F. Coleman died on September 23, 1996, devising all of his interest in the property to his wife, Beatrice G. Coleman. Beatrice G. Coleman died on August, 24, 2003, whereupon all of her interest in the property was passed by intestate succession to William R. Coleman and Rachel Coleman Thompson (Grantor). William R. Coleman died on January 5, 2017, devising all of his interest in the property to his wife Shelley Lynn Coleman (Grantor) as shown in Greenville County Probate Court Case Number 2017ES2300199.

Broadus S. Coleman died on January 1, 2003, whereupon his interest in the property was passed by intestate succession to his wife, Frances S. Coleman (Grantor), and children, Samuel B. Coleman (Grantor) and John S. Coleman (Grantor).

Gene (Jean) C. Huff died on July 3, 2003, whereupon her interest in the property was devised to her children: Mildred Huff Coleman (Grantor), John Huff (Grantor), Mary A. Huff (Grantor), James Huff (Grantor), and Joseph Huff. Joseph Huff died on May 27, 2013, devising his interest in the property to his siblings, Mildred Huff Coleman (Grantor), John Huff (Grantor), Mary A. Huff (Grantor), James Huff (Grantor).

Marjorie C. Smith died on November 20, 2005, whereupon her interest in the property was devised to Walter H. Smith, Jr. (Grantor) and Caroline Smith Sherman (Grantor) as shown in Greenville County Probate Court Case Number 2005ES2302221.

TMS No.: 0562010101310

AFFIDAVIT FOR TAXABLE OR EXEMPT TRANSFERS

PERSONALLY appeared before me the undersigned, who being duly sworn, deposes and says:

1. Grantee has read the information on this affidavit and understands such information.

2. The property being transferred is designated as Greenville County Tax Map Number 0562010101310 by Walter H. Smith, Jr.; Caroline Smith Sherman; Rachel Coleman Thompson; Frances S. Coleman; Samuel B. Colelman; John S. Coleman; Mildred Huff Coleman; John Huff; Mary A. Huff; Dr. James Huff; and Shelley L. Coleman, to Fox Hill Greenville, LLC, a New Jersey limited liability company on August 12, 2020.

3. Check one of the following: The deed is

   (a) ☒ subject to the deed recording fee as a transfer for consideration paid or to be paid in money or money's worth.
   (b) ☐ subject to the deed recording fee as a transfer between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, or is a transfer to a trust or as a distribution to a trust beneficiary.
   (c) ☐ exempt from the deed recording fee because (Exception # _____ - See Information section of affidavit (If exempt, please skip items 4 - 7, and go to item 8 of this affidavit.)

4. Check one of the following if either item 3(a) or item 3(b) above has been checked (See Information section of this affidavit):

   (a) ☒ The fee is computed on the consideration paid or to be paid in money or money's worth in the amount of $22,500.00
   (b) ☐ The fee is computed on the fair market value of the realty which is $_______________
   (c) ☐ The fee is computed on the fair market value of the realty as established for property tax purposes which is $____________________

5. Check Yes ____ or No _X_ to the following: A lien or encumbrance on the land, tenement, or realty before the transfer and remained on the land, tenement, or realty after the transfer. (This includes, pursuant to Code Section 12-59-140(E)(6), any lien or encumbrance on realty in possession of a forfeited land commission which may subsequently be waived or reduced after the transfer under a signed contract or agreement between the lien holder and the buyer existing before the transfer.) If "Yes," the amount of the outstanding balance of this lien or encumbrance is: $_______________.

6. The deed recording fee is computed as follows:

(a) Place the amount listed in item 4 above here:	$22,500.00
(b) Place the amount listed in item 5 above here: (If no amount is listed, place zero here.)	$0
(c) Subtract Line 6(b) from Line 6(a) and place result here:	$22,500.00

NPGVL1:1913722.1

7. The deed recording fee due is based on the amount listed on Line 6(c) above and the deed recording fee due is: $83.25

8. As required by Code Section 12-24-70, I state that I am a responsible person who was connected with the transaction as: Grantee's Attorney.

9. Grantor understands that a person required to furnish this affidavit who willfully furnishes a false or fraudulent affidavit is guilty of a misdemeanor and, upon conviction, must be fined not more than one thousand dollars or imprisoned not more than one year, or both.

Grantee's Attorney:

James K. Price

SWORN to before me this 12th
day of August, 2020

Notary Public for South Carolina

Kenneth Whitmire
Print Name of Notary Public
My Commission Expires: June 12, 2027

KENNETH WHITMIRE
NOTARY
PUBLIC
EXP. June 12, 2027
SOUTH CAROLINA

NPGVL1:1913722.1

INFORMATION

Except as provided in this paragraph, the term "value" means "the consideration paid or to be paid in money or money's worth for the realty." Consideration paid or to be paid in money's worth includes, but is not limited to, other realty, personal property, stocks, bonds, partnership interest and other intangible property, the forgiveness or cancellation of a debt, the assumption of a debt, and the surrendering of any right. The fair market value of the consideration must be used in calculating the consideration paid in money's worth. Taxpayers may elect to use the fair market value of the realty being transferred in determining fair market value of the consideration. In the case of realty transferred between a corporation, a partnership, or other entity and a stockholder, partner, or owner of the entity, and in the case of realty transferred to a trust or as a distribution to a trust beneficiary, "value" means the realty's fair market value. A deduction from value is allowed for the amount of any lien or encumbrance existing on the land, tenement, or realty before the transfer and remaining on the land, tenement, or realty after the transfer. Taxpayers may elect to use the fair market value for property tax purposes in determining fair market value under the provisions of the law.

Exempted from the fee are deeds:

(1) transferring realty in which the value of the realty, as defined in Code Section 12-24-30, is equal to or less than one hundred dollars;
(2) transferring realty to the federal government or to a state, its agencies and departments, and its political subdivisions, including school districts;
(3) that are otherwise exempted under the laws and Constitution of this State or of the United States;
(4) transferring realty in which no gain or loss is recognized by reason of Section 1041 of the Internal Revenue Code as defined in Section 12-6-40(A);
(5) transferring realty in order to partition realty as long as no consideration is paid for the transfer other than the interests in the realty that are being exchanged in order to partition the realty;
(6) transferring an individual grave space at a cemetery owned by a cemetery company licensed under Chapter 55 of Title 39;
(7) that constitute a contract for the sale of timber to be cut;
(8) transferring realty to a corporation, a partnership, or a trust in order to become, or as, a stockholder, partner, or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, beneficiary interest in the trust, or the increase in value in such stock or interest held by the grantor. However, except for transfers from one family trust to another family trust without consideration, the transfer of realty from a corporation, a partnership, or a trust to a stockholder, partner, or trust beneficiary of the entity is subject to the fee even if the realty is transferred to another corporation, a partnership, or trust;
(9) transferring realty from a family partnership to a partner or from a family trust to a beneficiary, provided no consideration is paid for the transfer other than a reduction in the grantee's interest in the partnership or trust. A "family partnership" is a partnership whose partners are all members of the same family. A "family trust" is a trust, in which the beneficiaries are all members of the same family. "Family" means the grantor, the grantor's

spouse, parents, grandparents, sisters, brothers, children, stepchildren, grandchildren, and the spouses and lineal descendants of any of them, and the grantor's and grantor's spouse's heirs under a statute of descent and distribution. A "family partnership" or "family trust" also includes charitable entities, other family partnerships and family trusts of the grantor, and charitable remainder and charitable lead trusts, if all the beneficiaries are charitable entities or members of the grantor's family. A "charitable entity" means an entity which may receive deductible contributions under Section 170 of the Internal Revenue Code as defined in Section 12-6-40(A);

(10) transferring realty in a statutory merger or consolidation from a constituent corporation to the continuing or new corporation;

(11) transferring realty in a merger or consolidation from a constituent partnership to the continuing or new partnership; and,

(12) that constitute a corrective deed or a quitclaim used to confirm title vested in the grantee, provided that no consideration of any kind is paid or is to be paid under the corrective or quitclaim deed.

(13) transferring realty subject to a mortgage to the mortgagee whether by a deed in lieu of foreclosure executed by the mortgagee or deed pursuant to foreclosure proceedings.

(14) transferring realty from an agent to the agent's principal in which the realty was purchased with funds of the principal, provided that a notarized document is also filed with the deed that establishes the fact that the agent and principal relationship existed at the time of the original purchase as well as for the purpose of purchasing the realty.

(15) transferring title to facilities for transmitting electricity that is transferred, sold, or exchanged by electrical utilities, municipalities, electric cooperatives, or political subdivisions to a limited liability company which is subject to regulation under the Federal Power Act (16 U.S.C. Section 791(a)) and which is formed to operate or to take functional control of electric transmission assets as defined in the Federal Power Act.

CITY OF FOUNTAIN INN, SOUTH CAROLINA

ORDINANCE NO. 2021-9

PROVIDING FOR THE ACQUISITION AND FINANCING OF MOTOR VEHICLES AND RELATED EQUIPMENT TO BE USED FOR PUBLIC WORKS; AUTHORIZING THE CITY ADMINISTRATOR TO PRESCRIBE THE FORM AND DETAILS OF THE LEASE PURCHASE FINANCING OF THE VEHICLES AND EQUIPMENT; PROVIDING FOR THE PAYMENT OF THE LEASE PURCHASE FINANCING; AND OTHER RELATED MATTERS.

ADOPTED: [ ], 2021

PPAB 5647801v4

ORDINANCE 2021-9

PROVIDING FOR THE ACQUISITION AND FINANCING OF MOTOR VEHICLES AND RELATED EQUIPMENT TO BE USED FOR PUBLIC WORKS; AUTHORIZING THE CITY ADMINISTRATOR TO PRESCRIBE THE FORM AND DETAILS OF THE LEASE PURCHASE FINANCING OF THE VEHICLES AND EQUIPMENT; PROVIDING FOR THE PAYMENT OF THE LEASE PURCHASE FINANCING; AND OTHER RELATED MATTERS.

CITY OF FOUNTAIN INN, SOUTH CAROLINA, CITY COUNCIL ORDAINS:

SECTION 1. ***Findings and Determinations***. The City Council ("Council") of the City of Fountain Inn, South Carolina ("City"), finds and determines the following:

(a) The City is a political subdivision of the State of South Carolina and has all powers granted to counties by the Constitution and the general law of the state, including the power to enter into agreements to acquire and finance equipment.

(b) City staff has determined that it is within the best interest of the City to acquire certain motor vehicles and related equipment to be used for public works (collectively, "Equipment").

(c) To enable the City to acquire the Equipment, the City desires to undertake a lease purchase financing in an amount not to exceed $[115,000] with a bank or other financial institution selected by the City or the vendor of the Equipment ("Purchaser").

SECTION 2. ***Approval of Acquisition and Financing; Delegation of Authority***. The City is authorized to acquire and finance the Equipment. The City is further authorized to utilize a lease purchase financing, or other means of financing (collectively, "Financing"), which is repayable by annual appropriations from any source, to provide funds for the Equipment.

The City shall request bids from various banks and other financial institutions as the City Administrator determines after receipt of advice from the City's Financial Advisor, First Tryon. Without further approval, the Council delegates authority to the City Administrator to: (a) determine the maturity and payment schedule of the Financing; (b) determine the date and time for receipt of bids under the request for bids; (c) award the sale of the Financing to the responsive bid which is in the best interest of the City, which determination will be made in part by which responsive bid provides the lowest interest rate to the City, in accordance with a request for bids; (d) make changes to the quantity, description or particular details of the Equipment; and (e) request bids for the Equipment and negotiate the specifications and price of the Equipment as the City Administrator deems to be in the best interest of the City.

SECTION 3. ***Approval of Transaction***. The Council hereby authorizes the acquisition and financing of the Equipment and payment of the costs of the Financing in an amount not to exceed $[115,000] subject to and in accordance with the provisions of this Ordinance.

SECTION 4. ***Execution of Documents***. Without further authorization, the Mayor and the City Administrator, and their respective designees, are each authorized and directed to approve the form, terms and provisions of the documents evidencing the Financing ("Transaction Documents"). The Mayor and the City Administrator are authorized, empowered and directed to execute, acknowledge and deliver the Transaction Documents in the name and on behalf of the City. The Transaction Documents are to be in the form as shall be approved by the Mayor or the City Administrator, upon the advice of the City's bond counsel, Parker Poe Adams & Bernstein LLP, and the City Attorney, the execution thereof to constitute conclusive evidence of that approval.

SECTION 5. ***Further Assurances***. The Mayor, or his designee, the City Clerk, and the City Administrator, or his designee, are fully empowered and authorized to take further action, make covenants, and to execute and deliver all documents as may be reasonably necessary to effect the Financing and the delivery of the Transaction Documents and any related documents in accordance with their terms and conditions, and the contemplated transactions, and the action of these officers in executing and delivering any of these documents, in the form as the Mayor or the City Administrator shall approve, is fully authorized.

SECTION 6. ***Federal Tax Covenant***. The City covenants that, to the extent the Financing is a tax-exempt obligation of the City, it will not take any action which will, or fail to take any action which failure will, cause interest components of the payments to be made under the Transaction Documents to become includable in the gross income of the Purchaser or its successors or assignees for federal income tax purposes pursuant to the provisions of the Internal Revenue Code of 1986, as amended ("IRC"), and regulations promulgated thereunder in effect on the date of original issuance of the Transaction Documents, and that the City will comply with all applicable provisions of Section 103 and Sections 141 through 150 of the IRC, and any regulations promulgated thereunder, to maintain the exclusion from gross income for federal income tax purposes of the interest portion of the payments to be made under the Transaction Documents; and to that end the City shall:

(a) comply with the applicable provisions of Section 103 and 141 through 150 of the IRC and any regulations promulgated thereunder so long as the Financing is outstanding;

(b) establish funds, make calculations and pay amounts in the manner and at the times required to comply with the requirements of the IRC relating to required rebates of certain amounts to the United States; and

(c) make reports of information at the times and places required by the IRC.

The City will timely file Form 8038-G in accordance with the applicable regulations of the Internal Revenue Service.

SECTION 7. ***Qualified Tax-Exempt Obligations.*** To the extent the Financing is a tax-exempt obligation of the City, the Mayor or the City Administrator are authorized to designate the Financing as a "qualified tax-exempt obligation" under Section 265(b)(3) of the IRC, if the City is not expected to issue in the aggregate more than $10,000,000 (or, should such amount be increased legislatively, such increased amount) in tax-exempt obligations, including the Financing authorized hereunder, during the 2020 calendar year.

SECTION 8. ***Reimbursement from Proceeds of the Financing***.

(a) To the extent the Financing is a tax-exempt obligation of the City, this Ordinance is the Council's official declaration of intent pursuant to Regulation §1.150-2 promulgated by the Internal Revenue Service and U.S. Treasury Department to reimburse the City for Equipment-related expenditures incurred and paid on or after the date occurring 60 days prior to the date of adoption of this Ordinance from the proceeds of the Financing.

(b) The City understands that Expenditures which may be reimbursed are limited to Expenditures which are (i) properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of "placed in service" under Regulation §1-150-2) under general federal income tax principles, or (ii) certain *de minimis* or preliminary expenditures satisfying the requirements of Regulation §1.150-2(f).

(c) The source of funds for the Expenditures with respect to the Equipment is expected to be the City's [general fund].

(d) The City understands that to be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (i) the date on which the Expenditures were paid, or (ii) the date the Equipment is placed in service, but in no event more than three years after the City made the original Expenditures.

SECTION 9. ***Severability***. All orders, ordinances, resolutions and any parts in conflict with this Ordinance are, to the extent of that conflict, repealed.

SECTION 10.***Ordinance Binding***. This Ordinance is binding on the Council and, to the extent permitted by law, its successors.

SECTION 11. ***Effective Date***. This Ordinance is effective after its second reading.

CITY OF FOUNTAIN INN, SOUTH CAROLINA

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George Patrick McLeer, Jr., Mayor
Fountain Inn, South Carolina

(*SEAL*)

ATTEST:

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Sandra Woods, City Clerk
Fountain Inn, South Carolina

First Reading: August 12, 2021
Second Reading: ___________________, 2021