



**RICHLAND COUNTY COUNCIL
SPECIAL CALLED MEETING AGENDA**

**JULY 28, 2009
10:00 AM**

CALL TO ORDER **HONORABLE PAUL LIVINGSTON, CHAIR**

INVOCATION **HONORABLE BILL MALINOWSKI**

PLEDGE OF ALLEGIANCE **HONORABLE BILL MALINOWSKI**

Citizen's Input

1. For Items on the Agenda Not Requiring a Public Hearing

Approval Of Minutes

2. Regular Session: July 21, 2009 [PAGES 7-16]

Adoption Of The Agenda

Report Of The Attorney For Executive Session Items

Report Of The County Administrator

3.
 - Farmers' Market Settlement
 - Richland 101 for Kids
 - City Manager Forum (August 3rd, Council Chambers)
 - August Recess
 - Employee Resignation

Report Of The Clerk Of Council

Report Of The Chairman

Open/Close Public Hearings

4. An ordinance authorizing the issuance and sale of not to exceed \$9,000,000 General Obligation Bonds, Series 2009A, or such other appropriate series designation, of Richland County, South Carolina; Authorizing the bonds to be issued as Build America Bonds, if appropriate; Fixing the

form and details of the bonds; Delegating to the County Administrator certain authority related to the bonds; Providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto

5. An ordinance authorizing the execution and delivery of a fee agreement between Richland County and Unum Group, a corporation organized and existing under the laws of the state of Delaware; Colonial Life & Accident Insurance Company, a corporation organized and existing under the laws of the State of South Carolina; and Unum Life Insurance Company of America, a corporation organized and existing under the laws of the State of Maine concerning a new project; authorizing and providing with respect to an existing project for the conversion of an arrangement for fee-in-lieu of tax payments between Richland County and the companies under title 4, Chapter 12, South Carolina Code of Laws, 1976, as amended, to an arrangement under Title 12, Chapter 44, South Carolina Code of Laws, 1976, as amended; and matters relating thereto
6. An Ordinance Authorizing the Execution and delivery of an agreement to provide for the modification and termination of certain incentive agreements between Richland County and Project Olive and one or more Affiliated entities; and related matters

Approval Of Consent Items

7. An ordinance authorizing the issuance and sale of not to exceed \$9,000,000 General Obligation Bonds, Series 2009A, or such other appropriate series designation, of Richland County, South Carolina; Authorizing the bonds to be issued as Build America Bonds, if appropriate; Fixing the form and details of the bonds; Delegating to the County Administrator certain authority related to the bonds; Providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto [**THIRD READING**] [**PAGES 22-51**]
8. An ordinance authorizing the execution and delivery of a fee agreement between Richland County and Unum Group, a corporation organized and existing under the laws of the state of Delaware; Colonial Life & Accident Insurance Company, a corporation organized and existing under the laws of the State of South Carolina; and Unum Life Insurance Company of America, a corporation organized and existing under the laws of the State of Maine concerning a new project; authorizing and providing with respect to an existing project for the conversion of an arrangement for fee-in-lieu of tax payments between Richland County and the companies under title 4, Chapter 12, South Carolina Code of Laws, 1976, as amended, to an arrangement under Title 12, Chapter 44, South Carolina Code of Laws, 1976, as amended; and matters relating thereto [**THIRD READING**] [**PAGES 53-106**]
9. An Ordinance Authorizing the Execution and delivery of an agreement to provide for the modification and termination of certain incentive agreements between Richland County and Project Olive and one or more Affiliated entities; and related matters [**THIRD READING**] [**PAGES 108-109**]

Report Of Development And Services Committee

10. Request to endorse the FY 2009-10 Community Development Annual Action Plan
11. Request to approve the acceptance of "Adopt an Interchange" funding from SCDOT in the amount of \$157,000 and to authorize the county to proceed with the Fort Jackson Gateway Beautification Project at Exit 12 of I-77 (Forest Drive)

12. Request to award a contract to Armstrong Contractors, in the amount of \$163,198.00 for the Lake Elizabeth Crane Creek IIA - Providence Plantation Capital Improvement Project
13. An Ordinance amending the Richland County Code of Ordinances; Chapter 18, Offenses, so as to clarify requirements pertaining to the smoking of tobacco products in the unincorporated area of Richland County
14. A resolution to enter into a collaborative partnership with Palmetto Health for the implementation of the 2009 Palmetto Health Women at Heart Forum and Exhibition

Report Of Administration And Finance Committee

15. Request to provide \$100,000 in mass transit fee funds to the Central Midlands Regional Transit Authority (CMRTA) for the purpose of providing local matching funds (20%) for the undertaking of three studies required under the terms of the Intergovernmental Agreement
16. Council Motion (Pearce): Request to reverse the action proposed by the county regarding the termination of payroll deductions for county employees wishing to have their policies with Colonial Life Insurance remain in force, and to continue collecting these payments on behalf of Colonial Life
17. Request to approve the renewal of a contract with Professional Pathology Services, PC to perform autopsies and postmortem examination for the Coroner's Office for FY 2009-10
18. Request to approve the acceptance of an Energy Efficiency and Conservation Block Grant (EECBG) in the amount of \$2,116,800 from the U. S. Department of Energy (DOE) contingent upon approval by the DOE (One Full-Time Personnel, No Match Required)
19. Request to approve the purchase of a Microsoft "Software Assurance" from the vendor DELL/ASAP SOFTWARE on the South Carolina State Contract in an amount not to exceed \$120,811
20. Request to approve the recommendation of the Neighborhood Matching Grant committee for funding to eligible projects under the Neighborhood Matching Grant program
21. Request to approve the acceptance of a grant in the amount of \$19,000 from the South Carolina Project Safe Neighborhoods Program for a Part-Time Firearms Technician at the Richland County Sheriff's Department (Part-Time Personnel, No Match Required)

Other Items

22. 911 Communications Center Consolidation Agreement Extension [**PAGES 123-124**]

Citizen's Input

23. Must Pertain to Items Not on the Agenda

Executive Session

Motion Period
Adjournment



Richland County Council Request of Action

Subject

For Items on the Agenda Not Requiring a Public Hearing

Richland County Council Request of Action

Subject

Regular Session: July 21, 2009 [PAGES 7-16]

MINUTES OF



RICHLAND COUNTY COUNCIL REGULAR SESSION TUESDAY, JULY 21, 2009 6:00 p.m.

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building.

MEMBERS PRESENT:

Chair	Paul Livingston
Vice Chair	Damon Jeter
Member	Gwendolyn Davis Kennedy
Member	Joyce Dickerson
Member	Valerie Hutchinson
Member	Norman Jackson
Member	Bill Malinowski
Member	Jim Manning
Member	L. Gregory Pearce, Jr.
Member	Kit Smith
Member	Kelvin Washington

OTHERS PRESENT – Michelle Cannon-Finch, Milton Pope, Tony McDonald, Sparty Hammett, Roxanne Ancheta, Stephany Snowden, Jennifer Dowden, Tamara King, Larry Smith, Andy Metts, Carl Gosline, Joseph Kocy, Donny Phipps, David Hoops, Pam Davis, Lillian McBride, Frank Frierson, Valeria Jackson, Vivian McCrary, Daniel Driggers, Monique Walters, Michelle Onley

CALL TO ORDER

The meeting was called to order at approximately 6:02 p.m.

INVOCATION

The Invocation was given by the Honorable Gwendolyn Davis Kennedy

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Honorable Gwendolyn Davis Kennedy

CITIZENS' INPUT

Dr. Lonnie Randolph spoke regarding the Board of Voter Registration agenda item.

POINT OF PERSONAL PRIVILEGE – Mr. Livingston recognized City Councilman Sam Davis, City Councilwoman Tameika Issac Devine and several members of the Recreation Commission.

APPROVAL OF MINUTES

Regular Session: July 7, 2009 – Mr. Manning moved, seconded by Mr. Pearce, to approve the minutes as distributed. The vote in favor was unanimous.

ADOPTION OF AGENDA

Mr. Pope stated that a presentation regarding Richland 101 for Kids needed to be added under the Report of the County Administrator.

Mr. Malinowski stated that the page numbers for Item #22 should be 139-159 not 149-159.

Ms. Dickerson moved, seconded Ms. Hutchinson, to adopt the agenda as amended. The vote in favor was unanimous.

REPORT OF THE COUNTY ATTORNEY FOR EXECUTIVE SESSION MATTERS

The following items were potential Executive Session items:

- a. **Farmers' Market Settlement**
- b. **Ashford vs. Richland County**
- c. **Recreation Commission Personnel and Contractual Matter**
- d. **School District II Site Fees**
- e. **BRWWTP Change Order**
- f. **Purchase of Property—Township**

REPORT OF THE COUNTY ADMINISTRATOR

BRWWTP Change Order – This item was taken up during Executive Session.

Farmers' Market Settlement – This item was taken up during Executive Session.

Purchase of Property—Township – This item was taken up during Executive Session.

Richland 101 for Kids Presentation – Ms. King made a brief presentation regarding the upcoming Richland 101 for Kids on Thursday, July 23rd.

REPORT OF THE CLERK OF COUNCIL

SC Pride Movement March—September 12th at 11 a.m. – Ms. Finch stated that the SC Pride Movement has invited Council to march in the SC Pride Movement Parade on September 12th at noon.

Unity Fest 2009 – Ms. Finch stated that Unity Fest will be held on Saturday, August 15th from 10 a.m.-3:30 p.m. on Main Street in Downtown Columbia.

Troy L. Skinner's Death – Ms. Finch stated that Ms. Bernice Skinner's husband, Troy L. Skinner, passed away and his memorial service will be held Wednesday, July 22nd at 1 p.m. at Bostick-Tompkins Funeral Home.

REPORT OF THE CHAIRMAN

Innovista TIF Presentation – City Councilwoman Tameika Issac Devine, City Councilman Sam Davis, and Mr. Norman Whitaker made a brief presentation regarding this matter.

City Manager Forum – Mr. Livingston stated that the consultant assisting the City of Columbia in selecting a City Manager has requested that Richland County host a City Manager Forum. Mr. Pope stated that provisions are being made to have the Chamber available to them on August 3rd for this forum.

Recreation Commission Personnel and Contractual Matter – This matter was taken up during Executive Session.

PUBLIC HEARING ITEM

Mr. Livingston opened the floor to the following public hearing:

- **A Resolution in support of the issuance by the South Carolina Jobs-Economic Development Authority of its not exceeding \$150,000,000 Hospital Refunding and Improvement Revenue Bonds, in one or more series, pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended** – No one signed up to speak.

The public hearing was closed.

APPROVAL OF CONSENT ITEMS

- **Case #09-06MA, Ted Hart, RS-LD to NC (.041 Acres), 09504-04-05, Dakota St. [THIRD READING]**

- Case #09-07MA, Duane Warr, RU/RS-MD to NC (0.52 Acres), 19604-04-13 & 49, 1509 & 1531 Percival Rd. [THIRD READING]
- Case #09-08MA, Michael Young, American's Home Place Inc., RU to RS-E (2.81 Acres), 17400-12-02 & 03, Killian Loop [THIRD READING]
- Section 26-175, Access; and creating a new article; so as to address transportation issues within the County [THIRD READING]
- Section 26-152, Special Exceptions; Subsection (D), Standards; Paragraph (22), Radio, Television and Telecommunications and Other Transmitting Towers; Subparagraph C; so as to clarify setback requirements [THIRD READING]
- An Ordinance Amending the Richland County Code of Ordinances, Chapter 6, Buildings and Building Regulations; Article III, Building Codes, Section 6-82(A); so as to adopt the 2006 Edition of the International Residential Code [SECOND READING]
- An Ordinance authorizing the issuance and sale of not to exceed \$9,000,000 General Obligation Bonds, Series 2009A, or such other appropriate series designation, of Richland County, South Carolina; Authorizing the bonds to be issued as Build America Bonds, if appropriate; fixing the form and details of the bonds; delegating to the County Administrator certain authority related to the bonds; providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto [SECOND READING]
- An Ordinance Authorizing the execution and delivery of a fee agreement between Richland County and Unum Group, a corporation organized and existing under the laws of the State of Delaware; Colonial Life & Accident Insurance Company, a corporation organized and existing under the laws of the State of South Carolina; and Unum Life Insurance Company of America, a corporation organized and existing under the laws of the State of Maine concerning a new project; authorizing and providing with respect to an existing project for the conversion of an arrangement for fee-in-lieu of tax payments between Richland County and the companies under Title 4, Chapter 12, South Carolina Code of Laws, 1976, as amended, to an arrangement under Title 12, Chapter 44, South Carolina Code of Laws, 1976, as amended; and matters relating thereto [SECOND READING]
- An Ordinance Authorizing the execution and delivery of an agreement to provide for the modifications and termination of certain incentive agreements between Richland County and Project Olive and one or more affiliated entities; and related matters [SECOND READING]
- A Resolution in support of the issuance by the South Carolina Jobs-Economic Development Authority of its not exceeding \$150,000,000 Hospital Refunding and Improvement Revenue Bonds, in one or more series, pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended

Mr. Manning moved, seconded by Ms. Kennedy, to approve the consent items. The vote in favor was unanimous.

THIRD READING ITEMS

Case #09-09MA, Glen Welsford, RS-MD to GC (0.03 Acres), 13809-04-12(p), 4108 Rosewood Dr. – Mr. Malinowski moved, seconded by Mr. Pearce, to approve this item. The vote in favor was unanimous.

Section 26-180, Signs; so as to create a new section that would allow off-premise weekend directional signs under certain conditions – Ms. Dickerson moved, seconded by Mr. Jackson, to approve this item. A discussion took place.

The vote was in favor.

SECOND READING ITEM

Council Motion (Manning): An Ordinance to Amend the Richland County Code of Ordinances; Chapter 18, Offenses; Section 18-6, Smoking of Tobacco Products; in order to establish regulations and requirements relating to designated smoking areas [SECOND READING] – Ms. Smith moved, seconded by Ms. Hutchinson, to approve this item with the amendments attached. The vote in favor was unanimous.

Mr. Manning moved, seconded by Mr. Jeter, to place this item on the July 28th Special Called Meeting agenda. The vote was in favor.

Master-in-Equity Budget Amendment – Ms. Dickerson moved, seconded by Mr. Pearce, to approve this item. A discussion took place.

The vote was in favor.

REPORT OF ADMINISTRATION AND FINANCE COMMITTEE

Request to consider salary adjustments and amendments to existing county policies and procedures for the following elected and appointed positions:

- a. **Columbia Magistrate** – Ms. Dickerson moved, seconded by Mr. Pearce, to not amend the ordinance as it pertains to the Columbia Magistrate's salary. The vote was in favor.
- b. **Treasurer** – Mr. Jeter moved, seconded by Ms. Kennedy, to accept the motion to authorize the Administrator to procure the service of an HR specialist. A discussion took place.

Ms. Dickerson moved to defer this item until the July 28th Special Called Meeting. The motion died for lack of a second.

This item will come back when the information is received by the County Administrator.

- c. **Board of Voter Registration** – Mr. Pearce moved, seconded by Mr. Washington, to defer this item until a meeting between Council and the Delegation. The vote was in favor.

Purchase offer for property owned by Richland County [RECOMMENDATION TO DENY] – Ms. Dickerson moved, seconded by Mr. Washington, to defer this item until the first Council meeting in September. The vote in favor was unanimous.

REPORT OF RULES AND APPOINTMENTS COMMITTEE

I. NOTIFICATION OF VACANCIES ON BOARDS, COMMISSIONS, AND COMMITTEES

- a. **Employee Grievance Committee—1** – Mr. Malinowski stated that this item was held in committee.
- b. **Internal Audit Committee—1** – Mr. Malinowski stated that this item was held in committee.

II. NOTIFICATION OF APPOINTMENTS ON BOARDS, COMMISSIONS, AND COMMITTEES

- a. **Board of Assessment Appeals—1** – Mr. Malinowski stated that this item was held in committee.
- b. **Business Service Center Appeals Board—1** – Mr. Malinowski stated that this item was held in committee.
- c. **Community Relations Council—1** – Mr. Malinowski stated that this item was held in committee.
- d. **East Richland Public Service Commission—1** – Mr. Malinowski stated that the committee recommended appointing Dr. John Hudgens II. The vote in favor was unanimous.
- e. **Internal Audit Committee—1** – Mr. Malinowski stated that this item was held in committee.
- f. **Planning Commission—1** – Mr. Malinowski stated there were thirteen applicants and one vacancy.

Mr. Malinowski and Ms. Smith voted for Mr. Gary Atkinson.

Ms. Shirley R. Belton received no votes.

Mr. Jackson, Ms. Hutchinson, Mr. Jeter, Ms. Dickerson, Mr. Manning, Ms. Kennedy, and Mr. Washington voted for Mr. C. David Tuttle.

Mr. Livingston voted for Mr. Howard J. van Dijk.

Mr. David C. Wylie received no votes.

Mr. Thomas A. Boland, Sr. received no votes.

Mr. Roy Bullinger received no votes.

Dr. Susan Cutter received no votes.

Mr. Richard E. Foster received no votes.

Ms. Lisa Gieskes received no votes.

Mr. Pearce voted for Mr. Clifton Hicks.

Ms. Nancy Kauffman received no votes.

Mr. Meshell N. Matney, Jr. received no votes.

- III. **Employee Grievance Committee Guidelines/Procedures**– Mr. Malinowski stated that this item was held in committee.
- IV. **Richland County/City of Columbia Animal Care Advisory Committee** – Mr. Malinowski stated that this item was held in committee.

OTHER ITEMS

Council Motion (Jackson, Malinowski, & Kennedy): To remove from the D&S Committee and present to full Council the funding of Alternate Paving with \$2 million from the Road Maintenance Fee and \$1 million from the CTC bond to fund paving roads in three years max (starting in 2009) – Mr. Washington moved, seconded by Ms. Dickerson, to defer this item. The vote in favor was unanimous.

Broad River Waste Water Treatment Plant Change Order – This item was taken up during Executive Session.

SERCO FY10 Budget – Mr. Washington moved, seconded by Ms. Smith, to approve this item. A discussion took place.

The vote was in favor.

Report of Stimulus Ad Hoc Committee

- a. **Homeless Prevention and Rapid Re-Housing Program (HPRP)** – Mr. Pearce moved, seconded by Ms. Hutchinson, to approve this item. The vote in favor was unanimous.
- b. **TIGER Surface Transportation Discretionary Grant** – Ms. Dickerson moved, seconded by Ms. Hutchinson, to approve this item. The vote in favor was unanimous.
- c. **Broadband Initiatives Program (BIP)** – Ms. Dickerson moved, seconded by Ms. Hutchinson, to approve this item. The vote in favor was unanimous.
- d. **Broadband Technology Opportunities Program (BTOP)** – Ms. Dickerson moved, seconded by Ms. Hutchinson, to approve this item. The vote in favor was unanimous.

CITIZENS' INPUT

Mr. Richard Foster spoke regarding the Recreation Commission.

Mr. John Blackmon, Mr. Jeremy Wilson, Mr. George McCutcheon, Mr. Victor Englert, and Mr. Tom Elliott spoke regarding the Farmers' Market relocating to Atlas Road.

Mr. Dan Unumb spoke regarding the stimulus.

EXECUTIVE SESSION ITEMS

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Council went into Executive Session at approximately 8:22 p.m. and came out at approximately 8:59 p.m.
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- a. **Farmers' Market Settlement** – Mr. Pearce moved, seconded by Ms. Dickerson, to direct the County Attorney to enter into an agreement as outlined in Executive Session. The vote in favor was unanimous.
- b. **Ashford vs. Richland County** – No action was taken.
- c. **Recreation Commission Personnel and Contractual Matter** – No action was taken.

- d. **School District II Site Fees** – Ms. Smith moved, seconded by Ms. Hutchinson, to establish a policy of waiving the site development fee prospectively for all school districts.

<u>For</u>	<u>Against</u>
Pearce	Malinowski
Hutchinson	Jackson
Livingston	Jeter
Washington	Dickerson
Smith	Manning
	Kennedy

The motion failed.

- e. **BRWWTP Change Order** – Mr. Manning moved, seconded by Mr. Washington, to approve this item. The vote in favor was unanimous.
- f. **Purchase of Property—Township** – No action was taken.

MOTION PERIOD

Ron G Resolution – Mr. Washington moved, seconded by Mr. Manning, to adopt a resolution for Ron G. The vote in favor was unanimous.

A Motion for Richland County in partnership with the Greater Columbia Chamber of Commerce and the City of Columbia to host a Small Business Summit ASAP. Topics to include stimulus, doing business with local government and the SBA – Mr. Jackson referred this item to the Economic Development Committee.

Explore both proposals and all locations for possible Richland location of Farmers Market and Richland County support. I think Council passed a resolution last year for a joint County City Farmers Market – Mr. Washington offered a friendly amendment to have staff review the proposals that will be suitable for Council and the vendors involved by the September 1st Council meeting.

Mr. Jackson referred this item to the A&F Committee.

Portion of June 16, 2009 Minutes re: Animal Care Committee Appointees -- Ms. Hutchinson moved, seconded by Mr. Malinowski, to bring back the deferred portion of the minutes from the June 16th Council meeting relating to the Animal Care Committee for consideration at the September 1st Council meeting. The vote in favor was unanimous.

ADJOURNMENT

The meeting adjourned at approximately 9:42 p.m.

Paul Livingston, Chair

Damon Jeter, Vice-Chair

Gwendolyn Davis Kennedy

Joyce Dickerson

Valerie Hutchinson

Norman Jackson

Bill Malinowski

Jim Manning

L. Gregory Pearce, Jr.

Kit Smith

Kelvin E. Washington, Sr.

The minutes were transcribed by Michelle M. Onley

Richland County Council Request of Action

Subject

- Farmers' Market Settlement
- Richland 101 for Kids
- City Manager Forum (August 3rd, Council Chambers)
- August Recess
- Employee Resignation

Richland County Council Request of Action

Subject

An ordinance authorizing the issuance and sale of not to exceed \$9,000,000 General Obligation Bonds, Series 2009A, or such other appropriate series designation, of Richland County, South Carolina; Authorizing the bonds to be issued as Build America Bonds, if appropriate; Fixing the form and details of the bonds; Delegating to the County Administrator certain authority related to the bonds; Providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto

Notes

A&F 06/23/2009:The committee recommended that council give first reading approval to the ordinance. The vote in favor was unanimous.

First Reading: July 7, 2009
Second Reading: July 21, 2009
Third Reading:
Public Hearing:

Richland County Council Request of Action

Subject

An ordinance authorizing the execution and delivery of a fee agreement between Richland County and Unum Group, a corporation organized and existing under the laws of the state of Delaware; Colonial Life & Accident Insurance Company, a corporation organized and existing under the laws of the State of South Carolina; ad Unum Life Insurance Company of America, a corporation organized and existing under the laws of the State of Maine concerning a new project; authorizing and providing with respect to an existing project for the conversion of an arrangement for fee-in-lieu of tax payments between Richland County and the companies under title 4, Chapter 12, South Carolina Code of Laws, 1976, as amended, to an arrangement under Title 12, Chapter 44, South Carolina Code of Laws, 1976, as amended; and matters relating thereto

Notes

First Reading: July 7, 2009
Second Reading: July 21, 2009
Third Reading:
Public Hearing:

Richland County Council Request of Action

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An Ordinance Authorizing the Execution and delivery of an agreement to provide for the modification and termination of certain incentive agreements between Richland County and Project Olive and one or more Affiliated entities; and related matters

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First Reading: July 7, 2009
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An ordinance authorizing the issuance and sale of not to exceed \$9,000,000 General Obligation Bonds, Series 2009A, or such other appropriate series designation, of Richland County, South Carolina; Authorizing the bonds to be issued as Build America Bonds, if appropriate; Fixing the form and details of the bonds; Delegating to the County Administrator certain authority related to the bonds; Providing for the payment of the bonds and the disposition of the proceeds thereof; and other matters relating thereto **[THIRD READING] [PAGES 22-51]**

Notes

A&F 06/23/2009:The committee recommended that council give first reading approval to the ordinance. The vote in favor was unanimous.

First Reading: July 7, 2009
Second Reading: July 21, 2009
Third Reading:
Public Hearing:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. _____-09HR

AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$9,000,000 GENERAL OBLIGATION BONDS, SERIES 2009A, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF RICHLAND COUNTY, SOUTH CAROLINA; AUTHORIZING THE BONDS TO BE ISSUED AS BUILD AMERICA BONDS, IF APPROPRIATE; FIXING THE FORM AND DETAILS OF THE BONDS; DELEGATING TO THE COUNTY ADMINISTRATOR CERTAIN AUTHORITY RELATED TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO.

Pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

SECTION 1. Findings and Determinations. The County Council (the "County Council") of Richland County, South Carolina (the "County"), hereby finds and determines:

(a) Pursuant to Section 4-9-10, Code of Laws of South Carolina 1976, as amended, the County operates under the Council-Administrator form of government and the County Council constitutes the governing body of the County.

(b) Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended (the "Constitution"), provides that each county shall have the power to incur bonded indebtedness in such manner and upon such terms and conditions as the General Assembly shall prescribe by general law. Such debt must be incurred for a public purpose and a corporate purpose in an amount not exceeding eight percent (8%) of the assessed value of all taxable property of such county.

(c) Pursuant to Title 4, Chapter 15 of the Code (the same being and hereinafter referred to as the "County Bond Act"), the governing bodies of the several counties of the State may each issue general obligation bonds to defray the cost of any authorized purpose and for any amount not exceeding their applicable constitutional limit.

(d) The County Bond Act provides that as a condition precedent to the issuance of bonds an election be held and the result be favorable thereto. Title 11, Chapter 27 of the Code of Laws of South Carolina 1976, as amended, provides that if an election be prescribed by the provisions of the County Bond Act, but not be required by the provisions of Article X of the Constitution, then in every such instance, no election need be held (notwithstanding the requirement therefor) and the remaining provisions of the County Bond Act shall constitute a full and complete authorization to issue bonds in accordance with such remaining provisions.

(e) The assessed value of all the taxable property in the County as of June 30, 2008, for purposes of computation of the County's constitutional debt limit, is \$1,314,686,911 which excludes exempt manufacturing property. Eight percent of such sum is \$105,174,953. As of the date hereof, the outstanding general obligation debt of the County subject to the limitation imposed by Article X, Section 14(7) of the Constitution is \$38,385,600. Thus, the County may incur not exceeding \$66,789,353 of additional general obligation debt within its applicable debt limitation.

(f) The American Recovery and Reinvestment Act of 2009 (the “ARRA”), Pub.L. 111-5, Feb. 17, 2009, 123 Stat. 115, amends the Internal Revenue Code of 1986, as amended (the “IRC”), to provide for the issuance of Build America Bonds (“BABs”) if (a) the interest on such obligation would otherwise be excludable from gross income under Section 103 of the IRC; (b) such obligation is issued before January 1, 2011; and (c) the issuer makes an irrevocable election to have Section 54AA of the Code apply to the obligation. BABs are taxable obligations which provide a tax credit in the amount of 35% of the interest payable by the issuer, either as an annual credit to the respective bondholders under Section 54AA(a) of the IRC, or, if the bond is qualified under Section 54AA(g) of the IRC, and the issuer so elects, as an annual direct payment to the issuer under Section 6431 of the IRC.

(g) It is now in the best interest of the County for the County Council to provide for the issuance and sale of not exceeding \$9,000,000 general obligation bonds of the County pursuant to the aforesaid provisions of the Constitution and laws of the State of South Carolina, the proceeds of which will be used to provide funds for: (i) acquiring vehicles for use by the Sheriff’s Department for the 2009-10 fiscal year; constructing and equipping a public safety building; fund other capital projects; and acquiring and installing digital radios; (ii) paying costs of issuance of the bonds; and (iii) such other lawful corporate and public purposes as the County Council shall determine.

(h) It also may in the best interest of the County for the Bonds authorized herein to be offered for sale as BABs.

SECTION 2. Authorization and Details of Bonds. Pursuant to the aforesaid provisions of the Constitution and laws of the State, there is hereby authorized to be issued not exceeding \$9,000,000 aggregate principal amount of general obligation bonds of the County to be designated “Not exceeding \$9,000,000 (or such other amount as may be issued) General Obligation Bonds, Series 2009A, of Richland County, South Carolina” (the “Bonds”) for the purpose stated in Section 1(g) of this Ordinance. The Bonds may be offered for sale as BABs.

The Bonds shall be issued as fully registered Bonds registerable as to principal and interest; shall be dated as of the first day of the month in which they are delivered to the initial purchaser(s) thereof; shall be in denominations of \$5,000 or any integral multiple thereof not exceeding principal amount of Bonds maturing each year; shall be numbered from R-1 upward, respectively; shall bear interest from their date payable at such times as hereafter designated by the Administrator of the County (the “Administrator”) at such rate or rates as may be determined by the County Council at the time of sale thereof; and shall mature serially in successive annual installments as determined by the Administrator.

Both the principal 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 Registrar/Paying Agent shall be Wells Fargo Bank, N.A., Atlanta, Georgia.

SECTION 3. Delegation of Authority Relating to the Bonds. The County Council hereby delegates to the Administrator the authority to determine whether the Bonds shall be issued as traditional tax-exempt bonds or shall be issued as BABs

In connection with the issuance of traditional tax-exempt bonds, the County Council hereby delegates to the Administrator or his lawfully-authorized designee the authority to determine: (a) the maturity dates of the Bonds and the respective principal amounts maturing on such dates; (b) the interest payment dates of the Bonds; (c) redemption provisions, if any, for the Bonds; (d) the date and time of sale of the Bonds; (e) the authority to receive bids on behalf of the County Council; and (f) the authority to award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Notice of

Sale for the Bonds, provided the true interest cost of the Bonds does not exceed five and one-fourth percent (5.25%) per annum.

In connection with the issuance of BABs, the County Council hereby delegates to the Administrator or his lawfully-authorized designee the authority to determine: (a) the maturity dates of the Bonds and the respective principal amounts maturing on such dates; (b) the interest payment dates of the Bonds; (c) redemption provisions, if any, for the Bonds; (d) the date and time of sale of the Bonds; (e) the authority to receive bids on behalf of the County Council; (f) the authority to award the sale of the Bonds to the lowest bidder therefor in accordance with the terms of the Notice of Sale for the Bonds, provided it reflects the lowest cost of borrowing to the County; (g) whether the tax credit shall be provided as a credit to the bondholders or as a direct payment to the County; and (h) to make an irrevocable election to have Section 54AA of the IRC apply to the Bonds, such that a portion of the Bonds may be issued as BABs.

After the sale of the Bonds, the Administrator or his lawfully-authorized designee shall submit a written report to the County Council setting forth the results of the sale of the Bonds.

SECTION 4. Registration, Transfer and Exchange of Bonds. The County 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.

Each Bond shall be transferable only upon the registry books of the County, 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 any such Bond the Registrar/Paying Agent on behalf of the County shall issue in the name of the transferee a new fully-registered Bond or Bonds, of the same aggregate principal amount, interest rate and maturity as the surrendered Bond. Any Bond surrendered in exchange for a new registered Bond pursuant to this Section shall be canceled by the Registrar/Paying Agent.

The County and the Registrar/Paying Agent may deem or treat the person in whose name any fully-registered Bond shall be registered upon the registry books as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bond 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 Bond to the extent of the sum or sums so paid, and neither the County nor the Registrar/Paying Agent shall be affected by any notice to the contrary. For every such transfer of Bonds, the County or the Registrar/Paying Agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer, and, except as otherwise provided herein, may charge a sum sufficient to pay the cost of preparing each Bond issued upon such transfer, which sum or sums shall be paid by the person requesting such transfer or by the County as a condition precedent to the exercise of the privilege of making such transfer. Neither the County nor the Registrar/Paying Agent shall be obliged to make any such transfer of Bonds during the fifteen (15) days preceding an interest payment date on such Bonds.

SECTION 5. Record Date. The County hereby establishes a record date for the payment of interest or for the giving of notice of any proposed redemption of Bonds, and such record date shall be the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date on such Bond or in the case of any proposed redemption of Bonds, such record date shall be the fifteenth (15th) day prior to the giving of notice of redemption of bonds.

SECTION 6. Mutilation, Loss, Theft or Destruction of Bonds. In case any Bond 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 County shall execute and the Registrar shall authenticate and deliver at the principal office of the Registrar, or send by registered mail to the owner thereof at his request, risk and expense a new Bond of the same series, 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 County and the Registrar evidence or proof satisfactory to the County and the Registrar of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity in an amount as may be required by the laws of the State of South Carolina or such greater amount as may be required by the County and the Registrar. 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, and shall be entitled to equal and proportionate benefits with all the other Bonds of the same series issued hereunder.

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

SECTION 7. Execution of Bonds. The Bonds shall be executed in the name of the County with the manual or facsimile signature of the Chair of the County Council attested by the manual or facsimile signature of the Clerk of the County Council under a facsimile of the seal of the County impressed, imprinted or reproduced thereon; provided, however, the facsimile signatures appearing on the Bonds may be those of the officers who are in office on the date of adoption of this Ordinance. The execution of the Bonds in such fashion shall be valid and effectual, notwithstanding any subsequent change in such offices. The Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. Each Bond shall bear a certificate of authentication manually executed by the Registrar in substantially the form set forth herein.

SECTION 8. Form of Bonds. The Bonds shall be in substantially the form attached hereto as Exhibit A and incorporated herein by reference. If the Bonds are issued as BABs, appropriate changes will be made in the form of the bonds attached hereto as Exhibit A.

SECTION 8. Security for Bonds. The full faith, credit, and taxing power of the county is irrevocably pledged to the payment of the Bonds. The Bonds are payable from an ad valorem tax levied annually by the County Auditor and collected by the County Treasurer.

The Council shall give the Auditor and Treasurer of the County written notice of the delivery of and payment for the Bonds and they are hereby directed to levy and collect annually, on all taxable property in the County, an ad valorem tax sufficient to pay the principal and interest of the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor. To the extent allowed by law, the Auditor and Treasurer of the County, may consider the amounts available as an annual direct payment to the County under Section 6431 (or other relevant section) of the IRC when levying and collecting the taxes provided for herein, if the Bonds are issued as BABs.

SECTION 9. Notice of Initiative and Referendum. The County Council hereby delegates to its Chair and the Administrator the authority to determine whether the Notice prescribed under the provisions of Title 11, Chapter 27, relating to the Initiative and Referendum provisions contained in Title 4, Chapter 9 of the Code of Laws of South Carolina 1976, as amended, shall be given with respect to this Ordinance, such notice being in substantially the form attached hereto as Exhibit B. If such notice is given, the Chair

and the Administrator are authorized to cause such notice to be published in a newspaper of general circulation in the County.

SECTION 10. Defeasance. The obligations of the County under this Ordinance and the pledges, covenants and agreements of the County herein made or provided for, shall be fully discharged and satisfied as to any portion of the Bonds, and such Bond or Bonds shall no longer be deemed to be outstanding hereunder when:

(a) Such Bond or Bonds shall have been purchased by the County and surrendered to the County for cancellation or otherwise surrendered to the County or the Paying Agent and is canceled or subject to cancellation by the County or the Paying Agent; or

(b) Payment of the principal of and interest on such Bonds either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for by irrevocably depositing with a corporate trustee in trust and irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment, or (2) Government Obligations (hereinafter defined) maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make such payment and all necessary and proper fees, compensation and expenses of the corporate trustee. At such time as the Bonds shall no longer be deemed to be outstanding hereunder, such Bonds shall cease to draw interest from the due date thereof and, except for the purposes of any such payment from such moneys or Government Obligations, shall no longer be secured by or entitled to the benefits of this Ordinance.

“Government Obligations” shall mean any of the following:

- (a) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America; and
- (b) Non-callable, U.S. Treasury Securities - State and Local Government Series (“SLGS”).

SECTION 11. Exemption from State Taxes. 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, from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

SECTION 12. Eligible Securities. The Bonds initially issued (the “Initial Bonds”) will be eligible securities for the purposes of the book-entry system of transfer maintained by The Depository Trust Company, New York, New York (“DTC”), and transfers of beneficial ownership of the Initial Bonds shall be made only through DTC and its participants in accordance with rules specified by DTC. Such beneficial ownership must be of \$5,000 principal amount of Bonds of the same maturity or any integral multiple of \$5,000.

The Initial Bonds shall be issued in fully-registered form, one Bond for each of the maturities of the Bonds, in the name of Cede & Co., as the nominee of DTC. When any principal of or interest on the Initial Bonds becomes due, the Paying Agent, on behalf of the County, shall transmit to DTC an amount equal to such installment of principal and interest. DTC shall remit such payments to the beneficial owners of the Bonds or their nominees in accordance with its rules and regulations.

Notices of redemption of the Initial Bonds or any portion thereof shall be sent to DTC in accordance with the provisions of the Ordinance.

If (a) DTC determines not to continue to act as securities depository for the Bonds, or (b) the County has advised DTC of its determination that DTC is incapable of discharging its duties, the County shall attempt to retain another qualified securities depository to replace DTC. Upon receipt by the County the Initial Bonds together with an assignment duly executed by DTC, the County shall execute and deliver to the successor securities depository Bonds of the same principal amount, interest rate and maturity registered in the name of such successor.

If the County is unable to retain a qualified successor to DTC or the County has determined that it is in its best interest not to continue the book-entry system of transfer or that interests of the beneficial owners of the Bonds might be adversely affected if the book-entry system of transfer is continued (the County undertakes no obligation to make any investigation to determine the occurrence of any events that would permit it to make any such determination), and has made provision to so notify beneficial owners of the Bonds by mailing an appropriate notice to DTC, upon receipt by the County of the Initial Bonds together with an assignment duly executed by DTC, the County shall execute, authenticate and deliver to the DTC participants Bonds in fully-registered form, in substantially the form set forth in Section 2 of this Ordinance in the denomination of \$5,000 or any integral multiple thereof.

Notwithstanding the foregoing, at the request of the purchaser, the Bonds will be issued as one single fully-registered bond and not issued through the book-entry system.

SECTION 13. Sale of Bonds, Form of Notice of Sale. The Bonds shall be sold at public sale. A Notice of Sale in substantially the form attached hereto as Exhibit C and incorporated herein by reference shall be distributed to prospective bidders and a summary of such Notice of Sale shall be published in a newspaper having general circulation in the State of South Carolina or in a financial publication published in the City of New York, State of New York, or both, not less than seven (7) days prior to the date set for such sale. Appropriate modifications shall be made in the Notice of Sale if the Bonds are offered to purchase as BABs.

SECTION 14. Preliminary and Final Official Statement. The County Council hereby authorizes and directs the Administrator to prepare, or cause to be prepared, a Preliminary Official Statement to be distributed to prospective purchasers of the Bonds together with the Notice of Sale. The County Council authorizes the Administrator to designate the Preliminary Official Statement as “near final” for purposes of Rule 15c2-12 of the Securities Exchange Commission. The Administrator is further authorized to see to the completion of the final form of the Official Statement upon the sale of the Bonds so that it may be provided to the purchaser of the Bonds.

SECTION 15. Filings with Central Repository. In compliance with Section 11-1-85, South Carolina Code of Laws 1976, as amended, the County covenants that it will file or cause to be filed with a central repository for availability in the secondary bond market when requested: (a) a copy of an annual independent audit of the County within thirty (30) days of the County's receipt thereof; and (b) within thirty (30) days of the occurrence thereof, event specific information of an event which adversely affects more than five (5%) percent of the tax revenues of the County or the County's tax base.

SECTION 16. Continuing Disclosure. In compliance with the Securities and Exchange Commission Rule 15c2-12 (the “Rule”) the County covenants and agrees for the benefit of the holders from time to time of the Bonds to execute and deliver prior to closing, and to thereafter comply with the terms of a Disclosure Dissemination Agent Agreement in substantially the form appearing as Exhibit D to this Ordinance. In the event of a failure of the County to comply with any of the provisions of the Disclosure

Dissemination Agent Agreement, an event of default under this Ordinance shall not be deemed to have occurred. In such event, the sole remedy of any bondholder or beneficial owner shall be an action to compel performance by the Ordinance.

SECTION 17. Deposit and Use of Proceeds. The proceeds derived from the sale of the Bonds shall be deposited with the Treasurer of the County in a special fund to the credit of the County, separate and distinct from all other funds, and shall be expended from time to time and made use of by the County Council as follows:

(a) Any premium shall be placed in the sinking fund established pursuant to Section 4-15-150 of the Code; and

(b) The balance of the proceeds shall be applied for the purposes set forth in this Ordinance including defraying the costs and expenses of issuing the Bonds.

SECTION 18. Notice of Public Hearing. The County Council hereby ratifies and approves the publication of a notice of public hearing regarding the Bonds and this Ordinance, such notice in substantially the form attached hereto as Exhibit E, having been published in *The State*, a newspaper of general circulation in the County, not less than 15 days prior to the date of such public hearing.

SECTION 19. Reimbursement of Certain Expenditures. The County Council hereby declares that this Ordinance shall constitute its declaration of official intent pursuant to Treasury Regulation § 1.150-2 to reimburse the School District from the proceeds of the Bonds for expenditures with respect to the Project (the “Expenditures”). The County anticipates incurring Expenditures with respect to the capital improvements prior to the issuance by the County of the Bonds for such purposes. To be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (a) the date on which the Expenditures were paid, or (b) the date the Project was placed in service, but in no event more than three (3) years after the original Expenditures. The Expenditures are incurred solely to acquire, construct or rehabilitate property having a reasonably expected economic life of at least one (1) year. The source of funds for the Expenditures with respect to the Project will be the County’s general reserve funds or other legally-available funds.

SECTION 20. Tax Covenants. The County hereby covenants and agrees with the Holders of the Bonds that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds to become includable in the gross income of the Bondholders for federal income tax purposes pursuant to the provisions of the IRC and regulations promulgated thereunder in effect on the date of original issuance of the Bonds; provided, however, that for purposes of this covenant only, the County shall not be in violation of this covenant solely because it makes the irrevocable election under Section 54AA(d) or (g) (as applicable) of the IRC with respect to the Bonds to be issued as BABs. The County further covenants and agrees with the holders of the Bonds that no use of the proceeds of the Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Bonds would have caused the Bonds to be “arbitrage bonds,” as defined in Section 148 of the IRC, and to that end the County hereby shall:

(a) comply with the applicable provisions of Sections 54AA, 103 and 141 through 150 of the IRC and any regulations promulgated thereunder so long as the Bonds are outstanding;

(b) establish such funds, make such calculations and pay such amounts, in the manner and at the times required in order to comply with the requirements of the IRC relating to required rebates of certain amounts to the United States; and

(c) make such reports of such information at the time and places required by the IRC.

SECTION 21. Miscellaneous. The County Council hereby authorizes any one or more of the following officials to execute such documents and instruments as necessary to effect the issuance of the Bonds: Chair of the County Council, County Administrator, Clerk to the County Council and County Attorney. The County Council hereby retains McNair Law Firm, P.A. as bond counsel and Ross, Sinclaire & Associates, LLC, as Financial Advisor, in connection with the issuance of the Bonds.

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, hereby repealed and this Ordinance shall take effect and be in full force from and after its adoption.

[Signature Page to Follow]

Enacted this _____ day of July 2009.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Paul Livingston, Chairman
Richland County Council

(SEAL)

ATTEST THIS _____ DAY OF

_____, 2009:

Michielle R. Cannon-Finch
Clerk of County Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

Date of First Reading: July 7, 2009
Date of Second Reading: July 21, 2009
Publication of Notice of
Public Hearing: July 10, 2009
Date of Public Hearing: July 28, 2009
Date of Third Reading: July 28, 2009

FORM OF BOND

UNITED STATES OF AMERICA
 STATE OF SOUTH CAROLINA
 COUNTY OF RICHLAND
 GENERAL OBLIGATION BONDS, SERIES 2009A

No. R-

<u>INTEREST</u> <u>RATE</u>	<u>MATURITY</u> <u>DATE</u>	<u>ORIGINAL</u> <u>ISSUE DATE</u>	<u>CUSIP</u>
--------------------------------	--------------------------------	--------------------------------------	--------------

REGISTERED HOLDER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Richland County, South Carolina (the "County"), is justly indebted and, for value received, hereby promises to pay to the registered holder specified above, or registered assigns, the principal amount specified above on the maturity date specified above, upon presentation and surrender of this Bond at the principal office of Wells Fargo, P.A., in the City of Atlanta, State of Georgia (the "Paying Agent"), and to pay interest on such principal amount from the date hereof at the rate per annum specified above until this Bond matures. Interest on this Bond is payable semiannually on _____ and _____ of each year, commencing _____, until this Bond matures, and shall be payable by check or draft mailed to the person in whose name this Bond is registered on the registration books of the County maintained by the registrar, presently Wells Fargo Bank, N.A., in Atlanta, Georgia (the "Registrar"), at the close of business on the fifteenth (15th) day of the calendar month preceding each semiannual interest payment date. The principal of and interest on this Bond are 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; provided, however, that interest on this fully-registered Bond shall be paid by check or draft as set forth above.

This Bond shall not be entitled to any benefit under the Ordinance (hereafter defined), nor become valid or obligatory for any purpose, until the certificate of authentication hereon shall have been duly executed by the Registrar.

For the payment hereof, both principal and interest, as they respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the County are irrevocably pledged and there shall be levied annually by the Auditor of the County and collected by the Treasurer of the County, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on this Bond as they respectively mature and to create such sinking fund as may be necessary therefore.

This Bond is one of a series of Bonds of like date of original issue, tenor and effect, except as to number, denomination, date of maturity, redemption provisions, and rate of interest, aggregating _____ Dollars (\$ _____), issued pursuant to and in accordance with [the American

Recovery and Reinvestment Act of 2009], the Constitution and laws of the State of South Carolina, including Article X of the Constitution of the State of South Carolina, 1895, as amended; Title 4, Chapter 15, Code of Laws of South Carolina 1976, as amended; Title 11, Chapter 27 of the Code of Laws of South Carolina 1976, as amended; and Ordinance No. _____ duly enacted by the County Council on _____, 2008.

[Redemption Provisions]

This Bond is transferable as provided in the Ordinance, only upon the books of the County kept for that purpose at the principal office of the Registrar by the registered holder in person or by his duly authorized attorney upon surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered holder or his duly authorized attorney. Thereupon a new fully-registered Bond or Bonds of the same aggregate principal amount, interest rate redemption provisions, if any, and maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance. The County, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina, this Bond and the interest hereon are exempt from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen and to be performed precedent to or in the issuance of this Bond exist, have happened and have been performed in regular and due time, form and manner as required by law; that the amount of this Bond, together with all other indebtedness of the County, does not exceed the applicable limitation of indebtedness under the laws of the State of South Carolina; and that provision has been made for the levy and collection of a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on this Bond as the same shall respectively mature and to create such sinking fund as may be necessary therefor.

IN WITNESS WHEREOF, RICHLAND COUNTY, SOUTH CAROLINA, has caused this Bond to be signed with the facsimile signature of the Chair of the County Council, attested by the facsimile signature of the Clerk to the County Council and the seal of the County impressed, imprinted or reproduced hereon.

RICHLAND COUNTY, SOUTH CAROLINA

Chair, County Council

(SEAL)
ATTEST:

Clerk, County Council

[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

Date of Authentication:

This bond is one of the Bonds described in the within mentioned Ordinance of Richland County, South Carolina.

_____ as Registrar

By: _____ Authorized Officer

The following abbreviations, when used in the inscription on the face of this Bond shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - As tenants in common

UNIF GIFT MIN. ACT

TEN ENT - As tenants by the entireties

_____ Custodian _____
(Cust.) (Minor)

JT TEN - As joint tenants with right of survivorship and not as tenants in common

under Uniform Gifts to Minors

(State)

Additional abbreviations may also be used though not in list above.

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

_____ (Name and address of Transferee)

the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:

Signature Guaranteed:

(Authorizing Officer)

Signature(s) must be guaranteed
by an institution which is a
participant in the Securities
Transfer Agents Medallion
Program (“STAMP”) or similar
program.

NOTICE: The signature to this
agreement must correspond with
the name of the registered holder as
it appears upon the face of the
within Bond in every particular,
without alteration or enlargement or any
change whatever.

Copies of the final approving opinions to be rendered shall be printed on the back of each Bond and preceding the same a certificate shall appear, which shall be signed on behalf of the County with a facsimile signature of the Clerk to the County Council. The certificate shall be in substantially the following form:

[FORM OF CERTIFICATE]

IT IS HEREBY CERTIFIED that the following is a true and correct copy of the complete final approving opinions (except for date and letterhead) of McNair Law Firm, P.A., Columbia, South Carolina, approving the issue of bonds of which the within bond is one, the original of which opinions were manually executed, dated and issued as of the date of delivery of and payment for the bonds and a copy of which is on file with the County Council of Richland County, South Carolina.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Clerk, County Council

FORM OF NOTICE

NOTICE IS HEREBY GIVEN that the County Council (the "County Council") of Richland County, South Carolina (the "County"), on _____, 2009, enacted Ordinance No. _____ entitled "AN ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$9,000,000 GENERAL OBLIGATION BONDS, SERIES 2009A, OR SUCH OTHER APPROPRIATE SERIES DESIGNATION, OF RICHLAND COUNTY, SOUTH CAROLINA,; FIXING THE FORM AND DETAILS OF THE BONDS; AUTHORIZING THE ADMINISTRATOR OF THE COUNTY TO DETERMINE CERTAIN MATTERS RELATING TO THE BONDS; PROVIDING FOR THE PAYMENT OF THE BONDS AND THE DISPOSITION OF THE PROCEEDS THEREOF; AND OTHER MATTERS RELATING THERETO" (the "Ordinance"). The Ordinance authorizes the issuance and approves the sale of not to exceed \$9,000,000 General Obligation Bonds, Series 2009A (the "Bonds") of the County.

The proceeds of the Bonds will be used to provide funds for: (i) acquiring vehicles for use by the Sheriff's Department; funding capital projects; constructing and equipping a public safety building; and acquiring and installing digital radios; (ii) paying costs of issuance of the bonds; and (iii) such other lawful corporate and public purposes as the County Council shall determine.

Pursuant to Section 11-27-40(8) of the Code of Laws of South Carolina, 1976, as amended, unless a notice, signed by not less than five (5) qualified electors of the County, of the intention to seek a referendum is filed both in the office of the Clerk of Court of the County and with the Clerk of the County Council, the initiative and referendum provisions of South Carolina law, Sections 4-9-1210 to 4-9-1230 of the Code of Laws of South Carolina, 1976, as amended, shall not be applicable to the Ordinance. The notice of intention to seek a referendum must be filed within twenty (20) days following the publication of this notice of the adoption of the aforesaid Ordinance in a newspaper of general circulation in Richland County.

/s/Chair, County Council, Richland County,
South Carolina

FORM OF NOTICE OF SALE

§ _____ GENERAL OBLIGATION BONDS, SERIES 2009A
OF RICHLAND COUNTY, SOUTH CAROLINA

Time and Place of Sale: NOTICE IS HEREBY GIVEN that sealed bids, facsimile bids and electronic bids will be received on behalf of Richland County, South Carolina (the "County") in the Administrative Conference Room, 4th Floor, 2020 Hampton Street, Columbia, South Carolina, until 11:00 a.m., South Carolina time, on _____, _____, 2009, at which time said proposals will be publicly opened for the purchase of \$ _____ General Obligation Bonds, Series 2009A, of the County (the "Bonds").

Sealed Bids: Each hand delivered proposal shall be enclosed in a sealed envelope marked "Proposal for \$ _____ General Obligation Bonds, Series 2009A, Richland County, South Carolina" and should be directed to the County Administrator at the address in the first paragraph hereof.

Facsimile Bids: The County will accept the facsimile transmission of a manually signed Official Bid Form at the risk of the Bidder. The County shall not be responsible for the confidentiality of bids submitted by facsimile transmission. Any delay in receipt of a facsimile bid, and any incompleteness or illegible portions of such bid are the responsibility of the bidder. Bids by facsimile should be transmitted to the attention of J. Milton Pope, County Administrator, fax number (803) 576-2138.

Electronic Bids: Electronic proposals must be submitted through i-Deal's Ipreo Electronic Bid Submission System ("Ipreo"). No electronic bids from any other providers of electronic bidding services will be accepted. Information about the electronic bidding services of Ipreo may be obtained from i-Deal, 40 W. 23rd Street, 5th floor, New York, New York 10010, Customer Support, telephone (212) 404-8102.

PROPOSALS MAY BE DELIVERED BY HAND, BY MAIL, BY FACSIMILE TRANSMISSION OR BY ELECTRONIC BID, BUT NO PROPOSAL SHALL BE CONSIDERED WHICH IS NOT ACTUALLY RECEIVED BY THE COUNTY AT THE PLACE, DATE AND TIME APPOINTED, AND THE COUNTY SHALL NOT BE RESPONSIBLE FOR ANY FAILURE, MISDIRECTION, DELAY OR ERROR RESULTING FROM THE SELECTION BY ANY BIDDER OF ANY PARTICULAR MEANS OF DELIVERY OF BIDS.

Book-Entry-Only Bonds: The Bonds will be issued in fully-registered form. One Bond representing each maturity will be issued to and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), as registered owner of the Bonds and each such Bond will be immobilized in the custody of DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing each year; Purchasers will not receive physical delivery of certificates representing their interest in the Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required to deposit the Bond certificates representing each maturity with DTC.

The Bonds will be issued in fully-registered form registered as to principal and interest; will be dated _____, 2009; will be in denominations of \$5,000 or any integral multiple thereof not exceeding the principal amount of Bonds maturing in each year; and will mature serially in successive annual installments on _____ in each of the years and in the principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
-------------	-----------------------------	-------------	-----------------------------

The Bonds will bear interest from the date thereof payable semiannually on _____ and _____ of each year, commencing _____, until they mature.

[Redemption Provisions]

Municipal Bond Insurance: The County has submitted applications to various bond insurers for a policy of insurance relating to the Bonds to be effective as of the date of their issuance. If a bidder for the Bonds desires to have the Bonds so insured, the bidder should specify in its bid for the Bonds whether bond insurance will be purchased. The premium on such bond insurance must be paid at or prior to the closing by the successful bidder. Any failure of the Bonds to be so insured or of any such policy of insurance to be issued shall not constitute cause for a failure or refusal by the purchaser of the bonds to accept delivery of and pay for the Bonds.

Registrar/Paying Agent: Wells Fargo Bank, N.A., Atlanta, Georgia, shall serve as Registrar/Paying Agent for the Bonds.

Bid Requirements: Bidders shall specify the rate or rates of interest per annum which the Bonds are to bear, to be expressed in multiples of 1/20 or 1/8 of 1% and the interest rate specified for any maturity shall not be lower than the interest rate specified for any previous maturity. Bidders are not limited as to the number of rates of interest named, but the rate of interest on each separate maturity must be the same single rate for all Bonds of that maturity from their date to such maturity date. A bid for less than all the Bonds, a bid at a price less than par or a bid which includes a premium in excess of 10% of the par amount of the Bonds will not be considered. In addition to the bid price, the successful bidder must pay accrued interest from the date of the Bonds to the date of full payment of the purchase price.

Award of Bid. The Bonds will be awarded to the bidder or bidders offering to purchase the Bonds at the lowest true interest cost (TIC) to the County. The TIC will be the nominal interest rate which, when compounded semiannually and used to discount all debt service payments on the Bonds (computed at the interest rates specified in the bid and on the basis of a 360-day year of twelve 30-day months) to the dated date of the Bonds, results in an amount equal to the price bid for the Bonds. In the case of a tie bid, the winning bid will be awarded by lot. The County reserves the right to reject any and all bids or to waive irregularities in any bid. Bids will be accepted or rejected no later than 3:00 p.m., South Carolina time, on the date of the sale.

Security: The full faith, credit and taxing power of the County are hereby irrevocably pledged for the payment of the principal of and interest on the Bonds as they respectively mature, and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the Auditor of the County, and collected by the Treasurer of the County, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor. [To the extent allowed by law, the County Auditor and County Treasurer may consider the amounts available as an annual direct payment to the County under Section 6431 (or other relevant section) of the IRC when levying and collecting the taxes provided for herein, if the Bonds are issued as BABs.]

Good Faith Deposit: No good faith deposit is required.

Bid Form: Proposals should be enclosed in a separate sealed envelope marked "Proposal for \$ _____ General Obligation Bonds, Series 2009A, of Richland County, South Carolina" and should be directed to the Chair of the County Council at the address in the first paragraph hereof. It is requested but not required that you submit your bid on the Proposal for Purchase of Bonds supplied with the Official Statement.

Official Statement: Upon the award of the Bonds, the County will prepare an official statement (the "Official Statement") in substantially the same form as the preliminary official statement subject to minor additions, deletions and revisions as required to complete the Official Statement. Within seven (7) business days after the award of the Bonds, the County will deliver the Official Statement to the successful bidder in sufficient quantity to comply with Rule G-32 of the Municipal Securities Rulemaking Board. The successful bidder agrees to supply to the County all necessary pricing information and any Underwriter identification necessary to complete the Official Statement within 24 hours after the award of the Bonds.

Continuing Disclosure: In order to assist the bidders in complying with S.E.C. Rule 15c2-12(b)(5), the County will undertake, pursuant to an ordinance and a Disclosure Dissemination Agent Agreement, to provide certain annual financial information and notices of the occurrence of certain events, if material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

Legal Opinion: The County Council shall furnish upon delivery of the Bonds the final approving opinions of McNair Law Firm, P.A., Columbia, South Carolina, which opinions shall accompany each Bond, together with the usual closing documents, including a certificate of the County that no litigation is pending affecting the Bonds.

Certificate as to Issue Price: The successful bidder must provide a certificate to the County by the date of delivery of the Bonds, stating the initial reoffering price of the Bonds to the public (excluding bond houses and brokers) and the price at which a substantial amount of the Bonds were sold to the public, in form satisfactory to Bond Counsel. A sample copy of such a certificate may be obtained from Bond Counsel.

Delivery: The Bonds will be delivered on or about _____, 2009, in New York, New York, at the expense of the County. The balance of the purchase price then due, including the amount of accrued interest, must be paid in federal funds or other immediately available funds.

Additional Information: The Preliminary Official Statement of the County with respect to the Bonds will be furnished to any person interested in bidding for the Bonds upon request. The Preliminary Official Statement shall be reviewed by bidders prior to submitting a bid. Bidders may not rely on this Notice of Sale as to the complete information concerning the Bonds. Persons seeking additional information should communicate with J. Milton Pope, County Administrator, 2020 Hampton Street, Columbia, South Carolina, 29201, telephone (803) 576-2054 or Francenia B. Heizer, Esquire, McNair Law Firm, P.A., 1301 Gervais Street, 17th Floor, Columbia, South Carolina, 29201, telephone (803) 799-9800, e-mail: fheizer@mcnair.net.

RICHLAND COUNTY, SOUTH CAROLINA
s/ _____
Chair, County Council

FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of _____, 2009, is executed and delivered by Richland County, South Carolina (the “Issuer”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Report” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the Repositories.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Audited Financial Statements” means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Report or Notice Event notice required to be submitted to the Repositories under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Representative” means the Finance Director, the senior member of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means the Annual Financial Information, the Audited Financial Statements (if any) the Notice Event notices, and the Voluntary Reports.

“Notice Event” means an event listed in Sections 4(a) of this Disclosure Agreement.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“National Repository” means for purposes of the Rule the Electronic Municipal Market Access (EMMA) system created by the Municipal Securities Rulemaking Board.

“Repository” means the MSRB, each National Repository and the State Depository (if any).

“State Depository” means any public or private depository or entity designated by the State of South Carolina as a state information depository (if any) for the purpose of the Rule. The list of state information depositories maintained by the United States Securities and Exchange Commission shall be conclusive as to the existence of a State Depository. Currently, the following depositories are listed by the Securities and Exchange Commission as available State Depositories:

1. Municipal Advisory Council of Michigan
1445 First National Building
Detroit, Michigan 48226-3517
(313) 963-0420 (phone)
(313) 963-0943 (fax)
jackie@macmi.com
2. Municipal Advisory Council of Texas
PO Box 2177
Austin, TX 78768-2177
(512) 476-6947 (phone)
(512) 476-6403 (fax)
mac@mactexas.com
3. Ohio Municipal Advisory Council
9321 Ravenna Road, Unit K
Twinsburg, OH 44087-2445
(330) 963-7444 (phone)
(800) 969-OMAC (6622) (phone)
(330) 963-7553 (fax)
sid_filing@ohiomac.com

“Trustee” means the institution identified as such in the document under which the Bonds were issued.

“Voluntary Report” means the information provided to the Disclosure Dissemination Agent by the Issuer pursuant to Section 7.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, together with a copy for the Trustee, not later than 30 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to each National Repository and the State Depository (if any) not later than 210 days after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2009. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification) no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Notice Event as described in Section 4(a)(12) has occurred and to immediately send a notice to each National Repository or the MSRB and the State Depository (if any) in substantially the form attached as Exhibit B.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 12:00 noon on the first business day following the Annual Filing Date for the Annual Report, a Notice Event described in Section 4(a)(12) shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to each National Repository or the MSRB and the State Depository (if any) in substantially the form attached as Exhibit B.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certificate, together with a copy for the Trustee, for filing with each National Repository and the State Depository (if any).

(e) The Disclosure Dissemination Agent shall:

- (i) determine the name and address of each Repository each year prior to the Annual Filing Date;
- (ii) upon receipt, promptly file each Annual Report received under Section 2(a) with each National Repository, and the State Depository, (if any);
- (iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with each National Repository, and the State Depository (if any);
- (iv) upon receipt, promptly file the text of each disclosure to be made with each National Repository or the MSRB and the State Depository (if any) together with

a completed copy of the MSRB Material Event Notice Cover Sheet in the form attached as Exhibit C, describing the event by checking the box indicated below when filing pursuant to the Section of this Disclosure Agreement indicated:

1. “Principal and interest payment delinquencies,” pursuant to Sections 4(c) and 4(a)(1);
2. “Non-Payment related defaults,” pursuant to Sections 4(c) and 4(a)(2);
3. “Unscheduled draws on debt service reserves reflecting financial difficulties,” pursuant to Sections 4(c) and 4(a)(3);
4. “Unscheduled draws on credit enhancements reflecting financial difficulties,” pursuant to Sections 4(c) and 4(a)(4);
5. “Substitution of credit or liquidity providers, or their failure to perform,” pursuant to Sections 4(c) and 4(a)(5);
6. “Adverse tax opinions or events affecting the tax-exempt status of the security,” pursuant to Sections 4(c) and 4(a)(6);
7. “Modifications to rights of securities holders,” pursuant to Sections 4(c) and 4(a)(7);
8. “Bond calls,” pursuant to Sections 4(c) and 4(a)(8);
9. “Defeasances,” pursuant to Sections 4(c) and 4(a)(9);
10. “Release, substitution, or sale of property securing repayment of the securities,” pursuant to Sections 4(c) and 4(a)(10);
11. “Ratings changes,” pursuant to Sections 4(c) and 4(a)(11);
12. “Failure to provide annual financial information as required,” pursuant to Section 2(b)(ii) or Section 2(c), together with a completed copy of Exhibit B to this Disclosure Agreement;
13. “Other material event notice (specify),” pursuant to Section 7 of this Agreement, together with the summary description provided by the Disclosure Representative.

- (v) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, Trustee (if any) and the Repositories, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the information provided in the Official Statement under the headings: “Security,” “Outstanding Indebtedness,” “Assessed Value of Taxable Property in the County,” “Estimated True Value of All Taxable Property in the County,” “Tax Rates,” “Tax Collections for Last Five Years,” and “Ten Largest Taxpayers.”

(b) Audited Financial Statements prepared in accordance with GAAP as described in the Official Statement will be included in the Annual Report.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an “obligated person” (as defined by the Rule), which have been previously filed with each of the National Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events, if material, with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of Bond holders;
8. Bond calls;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds;
11. Rating changes on the Bonds;
12. Failure to provide annual financial information as required; and
13. Other material event notice (specify) _____.

The Issuer shall promptly notify the Disclosure Dissemination Agent in writing upon the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c). Such notice shall be accompanied with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information.

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within five business days of receipt of such notice, instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure

Disclosure Agent is to report the occurrence pursuant to subsection (c), together with the text of the disclosure that the Issuer desires to make, the written authorization of the Issuer for the Disclosure Agent to disseminate such information, and the date the Issuer desires for the Disclosure Agent to disseminate the information.

(c) If the Disclosure Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Agent shall promptly file a notice of such occurrence with the State Depository (if any) and (i) each National Repository, or (ii) the MSRB.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, notices of Notice Events, and Voluntary Reports filed pursuant to Section 7(a), the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the failure of the Disclosure Agent to so advise the Issuer shall not constitute a breach by the Disclosure Agent of any of its duties and responsibilities under this Disclosure Agreement. The Issuer acknowledges and understands that the duties of the Disclosure Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Reports.

(a) The Issuer may instruct the Disclosure Agent to file information with the Repositories, from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Annual Financial Statement, Voluntary Report or Notice Event notice.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent and the Trustee, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Issuer at all times.

THE ISSUER AGREES TO INDEMNIFY AND SAVE THE DISCLOSURE DISSEMINATION AGENT AND ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS, HARMLESS AGAINST ANY LOSS, EXPENSE AND LIABILITIES WHICH THEY MAY INCUR ARISING OUT OF OR IN THE EXERCISE OR PERFORMANCE OF THEIR POWERS AND DUTIES HEREUNDER, INCLUDING THE COSTS AND EXPENSES (INCLUDING ATTORNEYS FEES) OF DEFENDING AGAINST ANY CLAIM OF LIABILITY, BUT EXCLUDING LIABILITIES DUE TO THE DISCLOSURE DISSEMINATION AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or

question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and neither of them shall incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The fees and expenses of such counsel shall be payable by the Issuer.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Trustee of the Bonds, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of New York (other than with respect to conflicts of laws).

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION, L.L.C.,
as Disclosure Dissemination Agent

By: _____
Name: _____
Title: _____

RICHLAND COUNTY, SOUTH CAROLINA,
as Issuer

By: _____
Name: _____

Title: _____

EXHIBIT A

NAME AND CUSIP NUMBERS OF BONDS

Name of Issuer Richland County, South Carolina
Obligated Person(s) Daniel Driggers, Finance Director
Name of Bond Issue: General Obligation Bonds, Series 2009A, \$ _____
Date of Issuance: _____, 2009
Date of Official Statement _____, 2009

CUSIP Number: _____ CUSIP Number: _____

EXHIBIT B

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer	Richland County, South Carolina
Obligated Person(s)	Daniel Driggers, Finance Director
Name of Bond Issue:	General Obligation Bonds, Series 2009A, \$ _____
Date of Issuance:	_____, 2009
Date of Official Statement:	_____, 2009

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Agreement, dated as of _____, 2008, between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by _____.

Dated: _____

Digital Assurance Certification, L.L.C., as Disclosure
Dissemination Agent, on behalf of the Issuer

cc: Issuer
Obligated Person

EXHIBIT C
MATERIAL EVENT NOTICE COVER SHEET

This cover sheet and material event notice should be sent to the Municipal Securities Rulemaking Board or to all Nationally Recognized Municipal Securities Information Repositories, and the State Information Depository, if applicable, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name:

Issuer's Six-Digit CUSIP Number:

or Nine-Digit CUSIP Number(s) of the bonds to which this material event notice relates:

Number of pages of attached material event notice: ____

Description of Material Events Notice (Check One):

1. Principal and interest payment delinquencies
2. Non-Payment related defaults
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions or events affecting the tax-exempt status of the security
7. Modifications to rights of securities holders
8. Bond calls
9. Defeasances
10. Release, substitution, or sale of property securing repayment of the securities
11. Rating changes
12. Failure to provide annual financial information as required
13. Other material event notice (specify)
14. _____

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

Name: _____ Title: _____

Employer: Digital Assurance Certification, L.L.C.

Address: _____

City, State, Zip Code: _____

Voice Telephone Number: _____

FORM OF NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the County Council of Richland, South Carolina (the "County"), in County Council Chambers located at 2020 Hampton Street, Columbia, South Carolina, at 6:00 p.m. on _____, 2009, or at such other location as proper notice on the main entrance to the said building might specify.

The purpose of the public hearing is to consider an Ordinance providing for the issuance and sale of General Obligation Bonds of Richland County, South Carolina in the aggregate principal amount of not to exceed \$9,000,000 (the "Bonds"), the proceeds of which will be used to provide funds for: (i) acquiring vehicles for use by the Sheriff's Department; funding capital projects; constructing and equipping a public safety building; and acquiring and installing digital radios; (ii) paying costs of issuance of the bonds; and (iii) such other lawful corporate and public purposes as the County Council shall determine.

The full faith, credit and taxing power of the County will be irrevocably pledged for the payment of the principal of and interest on the Bonds as they respectively mature, and for the creation of such sinking fund as may be necessary therefor. There shall be levied annually by the Auditor of the County, and collected by the Treasurer of the County, in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on the Bonds as they respectively mature and to create such sinking fund as may be necessary therefor.

At the public hearing all taxpayers and residents of the County and any other interested persons who appear will be given an opportunity to express their views for or against the Ordinance and the issuance of the Bonds.

COUNTY COUNCIL OF RICHLAND COUNTY,
SOUTH CAROLINA

s/ _____
Chair

Richland County Council Request of Action

Subject

An ordinance authorizing the execution and delivery of a fee agreement between Richland County and Unum Group, a corporation organized and existing under the laws of the state of Delaware; Colonial Life & Accident Insurance Company, a corporation organized and existing under the laws of the State of South Carolina; ad Unum Life Insurance Company of America, a corporation organized and existing under the laws of the State of Maine concerning a new project; authorizing and providing with respect to an existing project for the conversion of an arrangement for fee-in-lieu of tax payments between Richland County and the companies under title 4, Chapter 12, South Carolina Code of Laws, 1976, as amended, to an arrangement under Title 12, Chapter 44, South Carolina Code of Laws, 1976, as amended; and matters relating thereto **[THIRD READING] [PAGES 53-106]**

Notes

First Reading: July 7, 2009
Second Reading: July 21, 2009
Third Reading:
Public Hearing:

FEE AGREEMENT

EFFECTING A CONVERSION OF THAT CERTAIN

**LEASE AGREEMENT
DATED AS OF DECEMBER 15, 1996**

BETWEEN

UNUM GROUP,

COLONIAL LIFE & ACCIDENT INSURANCE COMPANY, AND

UNUM LIFE INSURANCE COMPANY OF AMERICA,

AND

RICHLAND COUNTY, SOUTH CAROLINA

DATED AS OF

_____, 2009

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[to be updated]

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FEE AGREEMENT

THIS FEE AGREEMENT (the “Fee Agreement”) is made and entered into as of _____, 2009, by and between **RICHLAND COUNTY, SOUTH CAROLINA** (the “County”), a body politic and corporate and a political subdivision of the State of South Carolina, acting by and through its County Council (the “County Council”) as governing body of the County, and **UNUM Group**, a corporation organized and existing under the laws of the State of Delaware; **Colonial Life & Accident Insurance Company**, a corporation organized and existing under the laws of the State of South Carolina; and **UNUM Life Insurance Company of America**, a corporation organized and existing under the laws of the State of Maine; (collectively referred to herein as the “Company”).

WITNESSETH:

WHEREAS, the County is authorized by Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the “Act”), to enter into a Fee Agreement with companies meeting the requirements of such Act which identifies certain property of such companies as economic development property to induce such companies to locate in the State and to encourage companies now located in the State to expand their investments and thus make use of and employ manpower and other resources of the State;

WHEREAS, the Company previously acquired by construction and purchase certain facilities used at its existing facility in the County (the “**Original Project**”);

WHEREAS, by Resolutions duly adopted by the County Council on December 12, 1995, and on December 3, 2006, and by an Ordinance duly adopted by the County Council on December 3, 1996, the County, being authorized and empowered under and pursuant to the Code of Laws of South Carolina, as amended, and particularly Title 4, Chapter 12 thereof (the “**Old Act**”), agreed to provide certain incentives to the Company in connection with the Original Project pursuant to that certain Inducement Agreement dated as of December 29, 1995, as amended as of December 3, 1996 (the “**Inducement Agreement**”), and that certain Lease Agreement between the County and the Company dated as of December 15, 1996 (the “**Lease**”), (the Inducement Agreement and the Lease are sometimes collectively referred to herein as the “Prior Documents”);

WHEREAS, pursuant to such arrangements, the County acquired title to the Original Project from the Company and leased the Original Project back to the Company pursuant to the Lease;

WHEREAS, the Company desires to utilize the provisions of the Act to continue to receive FILOT benefits with respect to the Original Project without the County having title to the Original Project or any portion thereof. Section 12-44-170 (the “**Conversion Provision**”) of the Act provides that an entity with property subject to a FILOT arrangement under the Old Act may elect, with the consent of the applicable county, to transfer property from such an arrangement to a FILOT arrangement under the Act and to convert its FILOT arrangement from an arrangement under the Old Act to an arrangement under the Act;

WHEREAS, the County desires to convey and, pursuant to the Conversion Provision, the County will convey to the Company its right, title and interest in and to the Original Project;

WHEREAS, in order (i) to satisfy the requirements of the Conversion Provision and (ii) to make certain amendments to update the terms of the Lease as necessary or appropriate, this Fee Agreement (the “**Fee Agreement**”) has been prepared and presented to the County;

WHEREAS, the County has determined this Fee Agreement meets the conversion and other applicable requirements of the Act;

WHEREAS, the County has determined that it is in the best interest of the County to enter into this Fee Agreement with the Company subject to the terms and conditions hereof; and

WHEREAS, pursuant to an Ordinance adopted on _____, 2009, the County Council authorized the County to enter into this Fee Agreement with the Company subject to the terms and conditions hereof.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained and other value, the parties hereto agree as follows:

ARTICLE I

RECAPITULATION AND DEFINITIONS

SECTION 1.1. *Statutorily Required Recapitulation.* Pursuant to Section 12-44-55(B), the County and the Company agree to waive the recapitulation requirements of Section 12-44-55 to the extent that and so long as the Company timely provides the County with copies of all filings required by the Act to be made by the Company with regard to the Project. If the Company should be required to retroactively comply with the recapitulation requirements of Section 12-44-55, then the County agrees, to the extent permitted by law, to waive all penalties of the County for the Company’s noncompliance.

SECTION 1.2. *Rules of Construction; Use of Defined Terms.* Unless the context clearly indicates otherwise, in this Fee Agreement words and terms defined in Section 1.3 are used with the meanings ascribed thereto. The definition of any document shall include any amendments to that document, unless the context clearly indicates otherwise.

From time to time herein, reference is made to the term taxes or *ad valorem* taxes. All or portions of the Project are or will be located in a Multi-County Industrial Park and, as such, are or will be exempt from *ad valorem* taxation under and by virtue of the provisions of Paragraph D of Section 13 of Article VIII of the S.C. Constitution (the “MCIP Provision”). With respect to facilities located in a Multi-County Industrial Park, references to taxes or *ad valorem* taxes means the payments-in-lieu-of-taxes provided for in the MCIP Provision, and, where this Fee Agreement refers to payments of taxes or Payments-in-Lieu-of-Taxes to County Treasurers, such

references shall be construed to mean the payments to the counties participating in such a Multi-County Industrial Park.

SECTION 1.3. Definitions.

“**Act**” means Title 12 Chapter 44, Code of Laws of South Carolina 1976, as in effect on the date hereof and as the same may be amended from time to time.

“**Applicable Governmental Body**” means each governmental entity within the State having jurisdiction over or the right to approve or disapprove any or all of the Documents.

“**Chair**” means the Chair of County Council (or the person or persons authorized to perform the duties thereof in the absence of the Chair).

“**Commencement Date**” means the last day of 1996, which is the year in which Project property was first placed in service.

“**Company**” means, collectively, the Operating Company and the Other Companies. Unless a particular provision hereof otherwise requires to the contrary, the Operating Company may act as agent of the Other Companies and the County shall accept any act of the Operating Company (including but not limited to acts such as amending this Fee Agreement and giving notice and exercising options and rights hereunder) as being performed for itself and as such agent until notice is given to the contrary.

“**Conversion Provision**” means Section 12-44-170 of the Act.

“**County Council**” means the County Council of the County.

“**County**” means **Richland County, South Carolina**, and its successors and assigns.

“**County Administrator**” means the County Administrator for the County (or the person or persons authorized to perform the duties thereof in the absence of the County Administrator).

“**Documents**” means the Ordinance and this Fee Agreement.

“**DOR**” means the South Carolina Department of Revenue and any successor thereto.

“**Equipment**” means all machinery, apparatus, equipment, fixtures, office facilities, furnishings and other property located at the Site to the extent such property becomes a part of the Project under this Fee Agreement.

“**Event of Default**” means any Event of Default specified in Section 10.1 of this Fee Agreement.

“**Fee Agreement**” means this Fee Agreement dated as of _____, 2009, between the County and the Company.

“Fee Term” means the duration of this Fee Agreement with respect to each Stage of the Project as specified in Section 6.3.

“Improvements” means improvements to the Real Property together with any and all additions, accessions, expansions, replacements and substitutions thereto or therefore, and all fixtures now or hereafter attached thereto, to the extent such additions, accessions, expansions, replacements and substitutions become part of the Project under this Fee Agreement.

“Inducement Agreement” means that certain Inducement Agreement dated as of December 29, 1995, as amended as of December 3, 1996.

“Investment Period” means the period beginning with the first day that economic development property for the Project is purchased or acquired and ending on the last day of the fifth property tax year following the Commencement Date.

“Lease” means that certain Lease Agreement between the County and the Company dated as of December 15, 1996.

“Multi-County Industrial Park” means an industrial or business park established by the County with one or more adjoining counties acting under the provisions of Article VIII, Section 13, Paragraph D of the Constitution of the State of South Carolina, 1895, as amended, and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended.

“Operating Company” means UNUM Group, a corporation organized and existing under the laws of the State of Delaware.

“Ordinance” means the Ordinance adopted by the County on _____, 2009, authorizing this Fee Agreement.

“Original Project” means the property covered by the Lease on the effective date of this Fee Agreement.

“Other Companies” means Colonial Life & Accident Insurance Company, a corporation organized and existing under the laws of the State of South Carolina, and UNUM Life Insurance Company of America, a corporation organized and existing under the laws of the State of Maine.

“Payments-in-Lieu-of-Taxes” means the payments to be made by the Company pursuant to Section 6.1 of this Agreement.

“Prior Documents” means the Lease and the Inducement Agreement.

“Project” means the Equipment, Improvements and Real Property which are eligible for inclusion as economic development property under the Act and have become or may become subject to this Fee Agreement. The parties agree that Project property shall consist of such property so identified by the Company in connection with its annual filing with the DOR of a SCDOR PT-300, or such comparable form, and with such schedules as the DOR may provide in

connection with projects subject to the Act (as such filing may be amended or supplemented from time to time) for each year within the Investment Period. As of the effective date of this Fee Agreement, the Project shall include the same property as the Original Project.

“Real Property” means the land identified on Exhibit A hereto, together with all and singular rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto; all Improvements now or hereafter situated thereon; and all fixtures now or hereafter attached thereto, to the extent such Improvements and fixtures become part of the Project under this Fee Agreement.

“Replacement Property” means any property acquired or constructed after the Investment Period as a replacement for any property theretofore forming a part of the Project and disposed of, or deemed disposed of, as provided in Section 6.2.

“Site” means sites at which Project property is located in the County as described in Exhibit B and shall include future sites in the County, which shall be noted on schedules or supplements to Exhibit B provided by the Company. [to be discussed]

“Stage” in respect of the Project means the year within which Equipment, Improvements and Real Property, if any, are placed in service during each year of the Investment Period.

“State” means the State of South Carolina.

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

ARTICLE II

CONVERSION OF FILOT ARRANGEMENT; REPLACEMENT OF LEASE

SECTION 2.1. *Election to Convert.* Pursuant to the Conversion Provision, the Company hereby elects to proceed under the Act and to convert the Lease to a non-lease fee agreement under the Act. The County hereby consents to the Company’s election to convert as required by the Act.

SECTION 2.2. *Replacement of Lease and Related Documents.* The Company and the County hereby agree and acknowledge that, from and after the execution and delivery of this Fee Agreement: (i) this Fee Agreement shall replace the Prior Documents in their entirety and (ii) the Act shall govern all FILOT arrangements pertaining to the Original Project. In furtherance of such replacement, the parties agree that, upon the re-conveyances of assets described in Section 2.3, the Lease and Inducement Agreement are terminated. The parties also agree that, as required by the Conversion Provision and as reflected in this Fee Agreement, the term, the applicable assessment ratio and millage rate, and the payments to be made by the Company under this Fee Agreement shall remain the same as under the Prior Documents.

SECTION 2.3. *Conveyance on Conversion.* Simultaneously with the execution and delivery of this Fee Agreement, the County has by Quitclaim Deed and Bill of Sale re-conveyed to the Company all assets comprising the Original Project which are currently titled in the County pursuant to the terms of the Lease. The County covenants and agrees to take such further steps and to execute and deliver such further instruments, agreements or other documents as shall be reasonably requested by the Company to evidence or confirm such conveyance.

ARTICLE III

LIMITATION OF LIABILITY; INDUCEMENT

SECTION 3.1. *Limitation of Liability.* Any obligation which the County may incur for the payment of money as a result of the transactions described in the Documents shall never constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall never create a pecuniary liability of the County or a charge upon its general credit or against its taxing powers but shall be payable solely out of the funds received by it under the Documents.

SECTION 3.2. *Inducement.* The County and the Company acknowledge that pursuant to and subject to the provisions of the Act, upon execution of this Fee Agreement, no part of the Project will be subject to ad valorem property taxation in the State, and that this factor, among others, has induced the Company to enter into this Fee Agreement.

ARTICLE IV

REPRESENTATIONS, WARRANTIES AND COVENANTS

SECTION 4.1. *Representations and Warranties of the County.* The County makes the following representations and warranties to the Company and covenants with the Company as follows:

(a) The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the Act to execute the Documents to which it is a party and to fulfill its obligations described in the Documents. By proper action, the County Council has duly authorized the execution and delivery of the Documents to which the County is a party and has taken all such action as is necessary to permit the County to enter into and fully perform the transactions required of it under the Documents.

(b) Assuming the constitutionality of the Act, and to the best of the County's knowledge, neither the execution and delivery of the Documents, nor the consummation and performance of the transactions described in the Documents, violate, conflict with or will result in a breach of any of the material terms, conditions or provisions of any agreement, restriction, law, rule, order or regulation to which the County is now a party or by which it is bound.

(c) To the best of the County's knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any judicial or administrative court or

agency, public board or body, pending or threatened, against or affecting the County, wherein an unfavorable decision, ruling or finding may or would materially adversely affect the County's obligations hereunder or the consummation of the transactions described in the Documents.

(d) None of the proceedings taken to authorize the execution, delivery and performance of such of the Documents as require execution, delivery and performance by the County has been repealed, revoked, amended or rescinded.

(e) All consents, authorizations and approvals required on the part of the County in connection with the execution, delivery and performance by the County of such of the Documents as require execution, delivery and performance by the County have been obtained and remain in full force and effect as of the date hereof or will be obtained.

(f) Based on factual representations of the Company, the Project constitutes a "project" within the meaning of the Act.

(g) By due corporate action, the County has agreed that, subject to compliance with applicable laws, each item of real and tangible personal property comprising the Project shall be considered economic development property under the Act.

(h) Assuming the constitutionality of the Act, the Documents to which the County is a party are (or, when executed, will be) legal, valid and binding obligations of the County enforceable against the County under present law in accordance with their respective terms, except as such terms may be limited by laws affecting creditors' rights generally.

SECTION 4.2. *Covenants by the County.* The County covenants with the Company to do all things deemed reasonably necessary, under the Act, as requested by the Company in writing in connection with the Project including but not limited to the execution, delivery and performance of its obligations in the Documents and in accordance with the Act, all for the purposes of promoting industrial development, developing trade, and utilizing and employing the manpower and natural resources of the County and the State.

SECTION 4.3. *Representations and Warranties of the Company.* The Company makes the following representations and warranties to the County and covenants with the County as follows:

(a) The Company is authorized to transact business in the State of South Carolina. The Company has full corporate power to execute the Documents to which it is a party and to fulfill its obligations described in the Documents and, by proper corporate action, has authorized the execution and delivery of the Documents to which it is a party.

(b) Neither the execution and delivery of the Documents to which the Company is a party, nor the consummation and performance of the transactions described in the Documents violate, conflict with, or will, to its knowledge, result in a material breach of any of the material terms, conditions or provisions of any agreement, restriction, law, rule, order or regulation to which the Company is now a party or by which it is bound.

(c) There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any judicial or administrative court or agency, public board or body, pending or threatened, against or affecting the Company wherein an unfavorable decision, ruling or finding would materially adversely affects the Company or the consummation of the transactions described in the Documents.

(d) All consents, authorizations and approvals required on the part of the Company in connection with the Documents and the transactions contemplated thereby and the acquisition, construction and installation of the Project have been obtained and remain in full force and effect or will be obtained, unless the failure to have or obtain such consent, authorization or approval does not have a material adverse effect on the Company or its ability to proceed with such transactions and the Project.

(e) The Documents to which the Company is a party are (or, when executed, will be) legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms, except as such terms may be limited by laws affecting creditors' rights generally.

ARTICLE V

COMMENCEMENT AND COMPLETION OF THE PROJECT

SECTION 5.1. *The Project.* The Company has acquired, constructed and/or installed or made plans for the acquisition, construction and/or installation of certain economic development property which comprise the Project.

Pursuant to the Act, the Company and the County hereby agree that the property comprising the Project shall be economic development property as defined under the Act, so long as such property meets the requirements of the Act.

Notwithstanding any other provision of this Fee Agreement, the Company may place property into service at any time under this Fee Agreement, but such property will only qualify as economic development property under the Act if it is placed in service during the Investment Period or is Replacement Property.

SECTION 5.2. *Diligent Completion.* The Company agrees to use its reasonable efforts to cause the acquisition, construction and installation of the Project to be completed; however, notwithstanding anything contained in this Fee Agreement to the contrary, the Company shall not be obligated to complete the acquisition of the Project and may terminate this Fee Agreement with respect to all or portion of the Project as set forth in Article X herein.

SECTION 5.3. *Modifications to Project.* The Company may make or cause to be made from time to time any additions, modifications or improvements to the Project that it may deem desirable for its business purposes.

ARTICLE VI

PAYMENTS-IN-LIEU-OF-TAXES; DISPOSITION OF PAYMENTS-IN-LIEU-OF-TAXES

SECTION 6.1. *Payments-in-Lieu-of-Taxes.* The parties acknowledge that under Article I, Section 3 of the South Carolina Constitution, the Project is exempt from ad valorem property taxes. However, the Company shall be required to make the Payments-in-Lieu-of-Taxes with respect to the Project as provided in this Section. In accordance with the Act, and unless this Fee Agreement is sooner terminated, the Company shall make annual Payments-in-Lieu-of-Taxes with respect to the Project, said payments being due and payable at the times and places, and in the same manner and subject to the same penalty assessments as prescribed by the County or DOR for ad valorem taxes. Such amounts shall be calculated and payable as follows:

(a) The Company has agreed to make annual Payments-in-Lieu-of-Taxes with respect to the Project in an amount equal to the property taxes that would be due with respect to such property, if it were taxable, but, as set forth in Sections 4.02 and 4.03 of the Inducement Agreement, using an assessment ratio of 6.0% and a millage rate of 349.0 mills. Subject in all events to the provisions of the Act, the fair market value for the Project shall be determined as follows:

- (i) for real property: if real property is constructed for the fee or is purchased in an arm's length transaction, using the original income tax basis for South Carolina income tax purposes without regard to depreciation; otherwise, the property must be reported at its fair market value for ad valorem property taxes as determined by appraisal; and
- (ii) for personal property: using the original tax basis for South Carolina income tax purposes less depreciation allowable for property tax purposes, except that the Company is not entitled to extraordinary obsolescence.

(b) The Payments-in-Lieu-of-Taxes shall be made on the basis that the Project property, if it were otherwise subject to ad valorem property taxes, would be allowed all applicable exemptions from those taxes, except for the exemptions allowed under Section 3(g) of Article X of the South Carolina Constitution and Section 12-37-220(B)(32) and (34) of the Code of Laws of South Carolina, as amended. [to be discussed]

(c) The Company shall make Payments-in-Lieu-of-Taxes for each year during the term hereof beginning with the tax year following the year the property is first placed in service. The Payments-in-Lieu-of-Taxes shall be made to the County Treasurer on the due dates which would otherwise be applicable for ad valorem property taxes for the Project, with the first payment being due on the first date following the delivery of this Fee Agreement when, but for this Fee Agreement, such taxes would have been paid with respect to the Project.

(d) Any property placed in service as part of the Project during the Investment Period shall be included in the calculation of payments pursuant to paragraphs (a), (b) and (c), above,

for a period not exceeding 20 years following the year in which such property was placed in service. Pursuant to and subject to the Act, (i) Replacement Property shall be included (using its income tax basis) in the calculation of payments pursuant to paragraphs (a), (b) and (c), above, but only up to the original income tax basis of property which is being disposed of in the same property tax year; (ii) Replacement Property shall be deemed to replace the oldest property subject to the fee which is disposed of in the same property tax year that the Replacement Property is placed in service; (iii) a single piece of property can replace more than one piece of property, and more than one piece of property can replace a single piece of property; (iv) Replacement Property does not have to serve the same function as the property it is replacing; (v) to the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the property which it is replacing, the portion of such property allocable to the excess amount shall be subject to annual payments calculated as if the exemption for economic development property under the Act were not allowed; and (vi) Replacement Property is entitled to the fee payment pursuant to this Section for the period of time remaining on the 20-year fee period for the property which it is replacing.

(e) Nothing in this Fee Agreement to the contrary withstanding, the Company is primarily liable for all Payments-in-Lieu-of-Taxes, and all other payments dues under this Agreement.

SECTION 6.2. *Disposal of Property; Replacement Property.*

(a) In any instance where the Company in its sole discretion determines that any item or items of property included in the Project have become, in whole or in part, inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the Company may remove such item (or such portion thereof as the Company shall determine) or items and sell, trade in, exchange or otherwise dispose of it or them (as a whole or in part) without any responsibility or accountability to the County therefor. The loss or removal from the Project of any property, or any portion thereof, as a result of fire or other casualty or by virtue of the exercise or threat of the power of condemnation or eminent domain shall be deemed to be a disposal of such property, or portion thereof, pursuant to this Section. Subject to the maintenance of the statutory minimum qualifying investment, and to Section 6.1(d) and this Section with respect to Replacement Property, the Payments-in-Lieu-of-Taxes required by Section 6.1 shall be reduced by the amount thereof applicable to any property included in the Project, or part thereof, disposed of, or deemed disposed of, pursuant to this Section.

(b) The Company may, in its sole discretion, replace, renew or acquire and/or install other property in substitution for, any or all property or portions thereof disposed of, or deemed disposed of, pursuant to subsection (a). Any such property may, but need not, serve the same function, or be of the same utility or value, as the property being replaced. Absent a written election to the contrary made at the time of filing the first property tax return that would apply to such property, such property shall be treated as Replacement Property, subject to the terms of Section 6.1(d).

SECTION 6.3. *Fee Term.* The applicable term of this Fee Agreement shall be measured for each Stage beginning from the last day of the property tax year in which the Project is placed in service in that Stage through the last day of the property tax year which is the nineteenth year following such year; provided, that the maximum term of this Fee Agreement shall not be more than 20 years from the end of the last year of the Investment Period. This Fee Agreement shall terminate with respect to the Project or any Stage or part thereof upon the earlier to occur of (a) payment of the final installment of Payments-in-Lieu-of-Taxes pursuant to Section 6.1 or (b) exercise by the Company of its option to terminate pursuant to Section 11.1.

SECTION 6.4. *Maintaining Minimum Investment.* If at any time during the term of this Fee Agreement following the period of time in which the minimum investment must be made under the Act, the investment of any entity comprising the Company, based on income tax basis without regard to depreciation, falls below such minimum investment level, such entity shall no longer qualify for the Payments-in-Lieu-of-Taxes provided herein if and as provided in Section 12-44-140(C) of the Act.

ARTICLE VII

PROPERTY TAX EXEMPTION AND ABATEMENT

SECTION 7.1. *Protection of Tax Exempt Status of the Project.* In order to insure that the Project is not and will not become subject to ad valorem property taxes under the laws of the State of South Carolina or any political subdivision thereof, the County and the Company covenant that:

(a) all right and privileges granted to either party under this Fee Agreement or any other Documents shall be exercised so that if any conflict between this Section and any other provision in any document shall arise, then in that case, this Section shall control;

(b) the County and the Company have not knowingly committed or permitted and will not knowingly commit or permit (as to any act over which either has control) any act which would cause the Project to be subject to ad valorem property taxes by the County or political subdivision of the State of South Carolina in which any part of the Project is located; and

(c) the Company will maintain the identity of the Project as a “project” in accordance with the Act.

ARTICLE VIII

EFFECTIVE DATE

SECTION 8.1. *Effective Date.* This Fee Agreement shall become effective as of the date first written above.

ARTICLE IX

SPECIAL COVENANTS

SECTION 9.1. Confidentiality. The County acknowledges and understands that the Company may have and maintain at the Project certain confidential and proprietary information. The County agrees that, except as required by law, neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to receive any such confidential or proprietary information, or (ii) shall request or be entitled to inspect the Project or any property associated therewith, in either case, unless they shall comply with the remaining provisions of this Section, or (iii) shall knowingly and intentionally disclose or otherwise divulge any such confidential or proprietary information to which it may become privy to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by State law and providing prompt notice thereof to the Company. Prior to disclosing any confidential or proprietary information or allowing inspections of the Project or any property associated therewith, the Company may require the execution, to the extent permitted by law, of reasonable, individual, confidentiality and non-disclosure agreements by any officers, employees or agents of the County or any supporting or cooperating governmental agencies who would gather, receive or review such information or conduct or review the results of any inspections. In the event that the County is required to disclose any confidential or proprietary information obtained from the Company to any third party, the County agrees to provide the Company with maximum possible advance notice of such requirement before making such disclosure, and to cooperate with any attempts by the Company to obtain judicial or other relief from such disclosure requirement. [to be discussed]

SECTION 9.2. Indemnification Covenants

(a) The Company shall and agrees to hold the County and its County Council members, officers, agents and employees harmless from all pecuniary liability in connection with those reasons set forth in subsection (b). Such indemnification obligation shall survive any termination of this Fee Agreement.

(b) Notwithstanding the fact that it is the intention of the parties that neither the County nor any of its members, officers, agents and employees shall incur any pecuniary liability to any third-party by reason of any claim or loss or damage to property or any injury or death of any person or persons occurring in connection with the planning, design, acquisition, construction and carrying out of the Project if the County or any of its members, officers, agents or employees should incur any such claim, loss or damage, then, in that event the Company shall indemnify and hold harmless the County and its members, officers, agents and employees against any such claim, loss or damage and all costs and expenses incurred in connection with any such claim, and upon notice and request from the County, the Company at its own expense shall defend the County and its officers, agents and employees in any such action or proceeding.

(c) Notwithstanding the foregoing, the Company shall not be obligated to indemnify the County or any of its individual members, officers, agents and employees for expenses,

claims, losses or damages arising from the intentional or willful misconduct or gross negligence of the County or any of its individual officers, agents or employees.

SECTION 9.3. *Assignment and Leasing.* With the County’s consent, which shall not be unreasonably withheld, any or all of the Company’s interest in the Project and/or this Fee Agreement may be transferred or assigned by the Company or any assignee to any other entity; provided, however, that such consent is not required in connection with financing-related transfers or any other transfers not requiring the consent of the County under the Act. The County hereby expressly consents to any transfer or assignment of all or part of their respective interests in the Project and/or this Fee Agreement among the Operating Company, the Other Companies, Provident Life and Accident Insurance Company, Provident Life and Casualty Insurance Company, The Paul Revere Life Insurance Company, The Paul Revere Variable Annuity Insurance Company or First Unum Life Insurance Company. The County agrees that the County Council can provide any required consent by a resolution of County Council. The Chair of County Council and the County Administrator are hereby expressly jointly authorized to evidence the County’s consent by executing such documents as the Company may reasonably request. Except as otherwise required by the Act or this Fee Agreement, a transaction or an event of sale, assignment, leasing, transfer of an interest herein, disposal, or replacement of all or part of the Project shall not be a termination of this Fee Agreement in whole or in part or a basis for changing the fee payments due under Section 12-44-50 of the Act.

ARTICLE X

EVENT OF DEFAULT AND REMEDIES

SECTION 10.1. *Events of Default Defined.* The occurrence of any one or more of the following events shall be an “Event of Default” under this Fee Agreement:

(a) If the Company shall fail to make any Payment-in-Lieu-of-Taxes or any other amount required under this Fee Agreement and such failure shall continue for 30 days after receiving written notice of default from the County; or

(b) If the Company shall fail to observe or perform any covenant, condition or agreement required herein to be observed or performed by the Company or the County (other than as referred to in subsection (a)), and such failure shall continue for a period of 30 days after written notice of default has been given to the Company by the County or to the County by the Company; provided if by reason of “force majeure” as hereinafter defined the Company or the County is unable in whole or in part to carry out any such covenant, condition or agreement or if it takes longer than 30 days to cure such default and the Company or the County is diligently attempting to cure such default, there shall be no Event of Default during such inability. The term “force majeure” as used herein shall mean circumstances not reasonably within the control of the parties, such as without limitation, acts of God, strikes, lockouts or other industrial disturbances; war; acts of public enemies; mobilization or military conscription on a large scale; order of any kind of the government of the United States or any State, or any civil or military authority other than the County Council; insurrections; riots; landslides; earthquakes; fires;

lightning; storms; droughts; floods; requisitions, confiscation, or commandeering of property; fuel restrictions; general shortages of transport, goods, or energy; or

(c) If any material representation or warranty on the part of the Company made in the Documents, or in any report, certificate, financial or other statement furnished in connection with the Documents or the transactions described in the Documents shall have been false or misleading in any material respect.

SECTION 10.2. Remedies on Default. Whenever any Event of Default shall have happened and be subsisting the County may (i) terminate this Fee Agreement by providing at least thirty (30) days written notice to the Company specifying the termination date, or (ii) take whatever action at law or in equity may appear legally required or necessary or desirable to collect the payments and other amounts then due or to enforce performance and observance of any obligation, agreement or covenant of the Company under the Documents. Although the parties acknowledge that the Project is exempt from ad valorem property taxes, the County and any other taxing entity affected thereby may, without limiting the generality of the foregoing, exercise the remedies provided by general law (Title 12, Chapter 49) and the Act relating to the enforced collection of taxes. The County's right to receive Payments-in-Lieu-of-Taxes shall have a first priority lien status pursuant to Section 12-44-90 of the Act and Chapters 4 and 54 of the South Carolina Code.

SECTION 10.3. No Additional Waiver Implied by One Waiver. In the event any warranty, covenant or agreement contained in this Fee Agreement should be breached by the Company or the County and thereafter waived by the other party to this Fee Agreement, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach.

ARTICLE XI

OPTION OF THE COMPANY

SECTION 11.1. Option to Terminate. From time to time (including without limitation any time during which there may be subsisting an Event of Default) and at any time upon at least 30 days notice, the Company may terminate this Fee Agreement with respect to the entire Project or any portion thereof. Upon termination of all or part of this Fee Agreement, the Company will become liable for ad valorem property taxes on the Project or such portion thereof as is so terminated from inclusion in the Project, as well as for any amounts already due and owing under this Fee Agreement, which latter amounts, if any, shall be paid to the County with the next installment of Payments-in-Lieu-of-Taxes pursuant to Section 6.1(c), or, if the termination is of the entire Project, then within the date which is sooner of (i) the due date otherwise applicable under this Fee Agreement or (ii) 120 days of termination.

ARTICLE XII

MISCELLANEOUS

SECTION 12.1. Notices. All notices, approvals, consents, requests and other communications hereunder shall be in writing and may be delivered personally, or may be sent by certified mail, return receipt requested, to the following addresses, unless the parties are subsequently notified of any change of address in accordance with this Section:

If to the Company: **[Insert information]**

If to the County: Richland County, South Carolina
J. Milton Pope
County Administrator
2020 Hampton street
Columbia, SC 29204

With a copy to: Ray E. Jones
Parker Poe Adams & Bernstein LLP
1201 Main Street
Columbia, SC 29201

Any notice shall be deemed to have been received as follows: (1) by personal delivery, upon receipt and (2) by certified mail, 3 business days after delivery to the U.S. Postal authorities by the party serving notice.

SECTION 12.2. Binding Effect. This Fee Agreement shall inure to the benefit of and shall be binding upon the County and the Company and their respective successors and assigns.

SECTION 12.3. Invalidity and Severability. In the event that the Act or the Payments-in-Lieu-of-Taxes arrangement described in Section 6.1 is determined to be invalid in its entirety, the parties hereby agree that except as the final judicial decision may otherwise require, the Company shall be entitled to retain any benefits received under or pursuant to this Fee Agreement; otherwise, in the event any provision of this Fee Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, that decision shall not invalidate or render unenforceable any other provision of this Fee Agreement, unless that decision destroys the basis for the transaction, in which event the parties shall in good faith attempt to preserve, to the maximum extent possible, the benefits provided and to be provided to the Company hereunder by either restructuring or reconstituting this Fee Agreement under any then applicable law, including but not limited to Chapter 29 of Title 4 and Chapter 12 of Title 4, Code of Laws of South Carolina, as amended.

SECTION 12.4. *Payments Due on Saturday, Sunday and Holidays.* Whenever any payment to be made hereunder shall be stated to be due on a Saturday, a Sunday or a holiday, such payment shall be made on the next business day.

SECTION 12.5. *Fiscal Year; Property Tax Year.* If the Company's fiscal year changes in the future so as to cause a change in the Company's property tax year, the timing of the requirements set forth in this Fee Agreement shall be revised accordingly, except that Payments-in-Lieu-of-Taxes shall always be required to be made at the same time and subject to the same conditions, penalties, and enforcement as *ad valorem* taxes.

SECTION 12.6. *Amendments, Changes and Modifications.* Except as otherwise provided in this Fee Agreement, this Fee Agreement may not be amended, changed, modified, altered or terminated without the written consent of the County and the Company. To the maximum extent allowed by law, any such County consent, including specifically and without limitation any County consent referred to in this Fee Agreement, may be provided by a resolution of County Council. The Chair of County Council and the County Administrator are hereby expressly jointly authorized to evidence the County's consent by executing such documents as the Company may reasonably request.

SECTION 12.7. *Execution of Counterparts.* This Fee Agreement may be executed in several counterparts, only one of which shall be an original; provided, however, that any action may be brought upon any counterpart of this Fee Agreement or any counterpart of any document that is attached to this Fee Agreement as an exhibit.

SECTION 12.8. *Law Governing Construction of Agreement.* The laws of the State of South Carolina shall govern the construction of this Fee Agreement.

SECTION 12.9. *Filings.*

(a) The Company shall provide the Richland County Auditor with a copy of all annual filings made by the Company to DOR pursuant to this Fee Agreement and the Act. Further, the Company shall cause a copy of this Fee Agreement to be filed with the Richland County Auditor, the Richland County Assessor and DOR within thirty (30) days after the date of execution and delivery hereof.

(b) Notwithstanding any other provision of this Section, the Company may designate with respect to any filings delivered to the County segments thereof that the Company believes contain proprietary, confidential or trade secret matters. The County shall conform with all reasonable, written requests made by the Company with respect to maintaining the confidentiality of such designated segments.

SECTION 12.10. *Headings.* The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

SECTION 12.11. *Further Assurance.* From time to time, the County agrees to execute and deliver to the Company such additional instruments as the Company may reasonably request to effectuate the purposes of this Fee Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, RICHLAND COUNTY, SOUTH CAROLINA, and UNUM GROUP, COLONIAL LIFE & ACCIDENT INSURANCE COMPANY and UNUM LIFE INSURANCE COMPANY OF AMERICA, each pursuant to due authority, has duly executed this Fee Agreement, all as of the date first above written.

RICHLAND COUNTY, SOUTH CAROLINA

Chair, Richland County Council

ATTEST:

Clerk

UNUM GROUP

By: _____
Name: _____
Its: _____

COLONIAL LIFE & ACCIDENT INSURANCE COMPANY

By: _____
Name: _____
Its: _____

UNUM LIFE INSURANCE COMPANY OF AMERICA

By: _____
Name: _____
Its: _____

EXHIBIT A
DESCRIPTION OF REAL PROPERTY

[Provide same real property description as in 1995 Lease.]

EXHIBIT B

DESCRIPTION OF SITES

The initial Site is the land identified on Exhibit A.

On or about May 15, 2010 and each May 15 thereafter during the term of this Fee Agreement, the Company shall, in the event that it elects to add or relocate any Sites in the County during the calendar year ending the preceding December 31, provide schedules or supplements reflecting such added or relocated Sites, which schedules or supplements shall become part of this Fee Agreement.

FEE AGREEMENT
BETWEEN RICHLAND COUNTY, SOUTH CAROLINA
AND
UNUM GROUP,
COLONIAL LIFE & ACCIDENT INSURANCE COMPANY, AND
UNUM LIFE INSURANCE COMPANY OF AMERICA,

DATED AS OF
_____ , 2009

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[to be updated]

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EXHIBIT A Description of Real Property
EXHIBIT B Description of Sites
EXHIBIT C Joinder Agreement

FEE AGREEMENT

THIS FEE AGREEMENT (the “Fee Agreement”) is made and entered into as of _____, 2009, by and between **RICHLAND COUNTY, SOUTH CAROLINA** (the “County”), a body politic and corporate and a political subdivision of the State of South Carolina, acting by and through its County Council (the “County Council”) as governing body of the County, and **UNUM Group**, a corporation organized and existing under the laws of the State of Delaware; **Colonial Life & Accident Insurance Company**, a corporation organized and existing under the laws of the State of South Carolina; and **UNUM Life Insurance Company of America**, a corporation organized and existing under the laws of the State of Maine; (collectively referred to herein as the “Company”).

WITNESSETH:

WHEREAS, the County is authorized by Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the “Act”), to enter into a Fee Agreement with companies meeting the requirements of such Act which identifies certain property of such companies as economic development property to induce such companies to locate in the State and to encourage companies now located in the State to expand their investments and thus make use of and employ manpower and other resources of the State;

WHEREAS, pursuant to an Inducement Resolution dated February 17, 2009 (the “Inducement Resolution”) the County committed to enter into a Fee Agreement with the Company;

WHEREAS, it is anticipated that the Project will represent an investment of at least \$8 million in the County (without regard to whether some or all of the investment is included as economic development property under the Act but excluding property tax exempt investments);

WHEREAS, pursuant to the Ordinance, as an inducement to the Company to develop the Project, the County Council authorized the County to enter into a Fee Agreement with the Company that identifies the property comprising the Project as economic development property under the Act subject to the terms and conditions hereof;

WHEREAS, pursuant to an Ordinance adopted _____ (“Ordinance”), in accordance with the Act, and based on factual representations by the Company to the County, the County finds that (a) it is anticipated that the Project (as defined herein) will benefit the general public welfare of the County by providing services, employment and other public benefits not otherwise adequately provided locally; (b) neither the Project nor any documents or agreements entered into by the County in connection therewith will give rise to any pecuniary liability of the County or incorporated municipality or to any charge against their general credit or taxing power; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the benefits of the Project to the public are greater than the costs to the public;

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained and other value, the parties hereto agree as follows:

ARTICLE I

RECAPITULATION AND DEFINITIONS

SECTION 1.1. *Statutorily Required Recapitulation.* Pursuant to Section 12-44-55(B), the County and the Company agree to waive the recapitulation requirements of Section 12-44-55 to the extent that and so long as the Company timely provides the County with copies of all filings required by the Act to be made by the Company with regard to the Project. If the Company should be required to retroactively comply with the recapitulation requirements of Section 12-44-55, then the County agrees, to the extent permitted by law, to waive all penalties of the County for the Company's noncompliance.

SECTION 1.2. *Rules of Construction; Use of Defined Terms.* Unless the context clearly indicates otherwise, in this Fee Agreement words and terms defined in Section 1.3 are used with the meanings ascribed thereto. The definition of any document shall include any amendments to that document, unless the context clearly indicates otherwise.

From time to time herein, reference is made to the term taxes or *ad valorem* taxes. All or portions of the Project are or will be located in a Multi-County Industrial Park and, as such, are or will be exempt from *ad valorem* taxation under and by virtue of the provisions of Paragraph D of Section 13 of Article VIII of the S.C. Constitution (the "MCIP Provision"). With respect to facilities located in a Multi-County Industrial Park, references to taxes or *ad valorem* taxes means the payments-in-lieu-of-taxes provided for in the MCIP Provision, and, where this Fee Agreement refers to payments of taxes or Payments-in-Lieu-of-Taxes to County Treasurers, such references shall be construed to mean the payments to the counties participating in such a Multi-County Industrial Park.

SECTION 1.3. *Definitions.*

"Act" means Title 12 Chapter 44, Code of Laws of South Carolina 1976, as in effect on the date hereof and as the same may be amended from time to time.

"Applicable Governmental Body" means each governmental entity within the State having jurisdiction over or the right to approve or disapprove any or all of the Documents.

"Chair" means the Chair of County Council (or the person or persons authorized to perform the duties thereof in the absence of the Chair).

"Commencement Date" means the last day of the property tax year when Project property is first placed in service except that this date must not be later than the last day of the property tax year which is three years from the year in which the County and the Company have entered into this Fee Agreement.

“Company” means, collectively, the Operating Company and the Other Companies. Unless a particular provision hereof otherwise requires to the contrary, the Operating Company may act as agent of the Other Companies and the County shall accept any act of the Operating Company (including but not limited to acts such as amending this Fee Agreement and giving notice and exercising options and rights hereunder) as being performed for itself and as such agent until notice is given to the contrary.

“County Council” means the County Council of the County.

“County” means **Richland County, South Carolina**, and its successors and assigns.

“County Administrator” means the County Administrator for the County (or the person or persons authorized to perform the duties thereof in the absence of the County Administrator).

“Documents” means the Ordinance and this Fee Agreement.

“DOR” means the South Carolina Department of Revenue and any successor thereto.

“Equipment” means all machinery, apparatus, equipment, fixtures, office facilities, furnishings and other property located at the Site to the extent such property becomes a part of the Project under this Fee Agreement.

“Event of Default” shall mean any Event of Default specified in Section 9.1 of this Fee Agreement.

“Fee Agreement” means this Fee Agreement dated as of _____, 2009, between the County and the Company.

“Fee Term” means the duration of this Fee Agreement with respect to each Stage of the Project as specified in Section 5.3.

“Improvements” means improvements to the Real Property together with any and all additions, accessions, expansions, replacements and substitutions thereto or therefore, and all fixtures now or hereafter attached thereto, to the extent such additions, accessions, expansions, replacements and substitutions become part of the Project under this Fee Agreement.

“Inducement Resolution” means the Resolution of the County Council adopted on February 17, 2009 committing the County to enter into the Fee Agreement.

“Investment Period” means the period beginning with the first day that economic development property for the Project is purchased or acquired and ending on the last day of the fifth property tax year following the Commencement Date, subject to any extension for such period as provided in Section 3.2(b).

“Multi-County Industrial Park” means an industrial or business park established by the County with one or more adjoining counties acting under the provisions of Article VIII, Section

13, Paragraph D of the Constitution of the State of South Carolina, 1895, as amended, and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended.

“Operating Company” means UNUM Group, a corporation organized and existing under the laws of the State of Delaware. The Operating Company shall be deemed to be a sponsor in accordance with Section 12-44-30(A)(18) and Section 12-44-130 of the Act.

“Ordinance” means the Ordinance adopted by the County on _____, 2009, authorizing this Fee Agreement.

“Other Companies” means Colonial Life & Accident Insurance Company, a corporation organized and existing under the laws of the State of South Carolina, and UNUM Life Insurance Company of America, a corporation organized and existing under the laws of the State of Maine.

“Payments-in-Lieu-of-Taxes” means the payments to be made by the Company pursuant to Section 5.1 of this Fee Agreement.

“Project” means the Equipment, Improvements and Real Property which are eligible for inclusion as economic development property under the Act and becomes subject to this Fee Agreement. The parties agree that Project property shall consist of such property so identified by the Company or, as applicable, a Sponsor Affiliate, in connection with its annual filing with the DOR of a SCDOR PT-300, or such comparable form, and with such schedules as the DOR may provide in connection with projects subject to the Act (as such filing may be amended or supplemented from time to time) for each year within the Investment Period. In this connection, the parties specifically agree that the Company or, as applicable, a Sponsor Affiliate, may in its sole discretion determine what eligible property, including but not limited to any buildings, is included as Project property, and that such discretion shall be manifested by the Company’s decision or, as applicable, the decision of a Sponsor Affiliate, whether to list such eligible property on its annual SCDOR PT-300 or comparable form. Notwithstanding any provision herein to the contrary, only for purposes of determining whether the \$8 million investment threshold referenced in Sections 3.1(i) and 5.4 hereof, and the \$25 million investment threshold referenced in Section 5.1(a) hereof, have been met, all investments made at the Site during the applicable time periods shall be deemed part of the Project without regard to whether some or all of the investments are subject to this Fee Agreement.

“Real Property” means the land identified on Exhibit A hereto, together with all and singular rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto; all Improvements now or hereafter situated thereon; and all fixtures now or hereafter attached thereto, to the extent such Improvements and fixtures become part of the Project under this Fee Agreement; provided, however that the land identified on Exhibit A shall not be subject to this Fee Agreement.

“Replacement Property” means any property acquired or constructed after the Investment Period as a replacement for any property theretofore forming a part of the Project and disposed of, or deemed disposed of, as provided in Section 5.2.

“**Site**” means sites at which Project property is located in the County as described in Exhibit B and shall include future sites in the County, which shall be noted on schedules or supplements to Exhibit B provided by the Company.

“**Sponsor Affiliate**” means an affiliate that joins with or is an affiliate of the Company whose investment with respect to the Project, if any, will qualify for Payments-in-Lieu-of-Taxes pursuant to Section 5.1 hereof and Section 12-44-30(A)(19) and Section 12-44-130 of the Act. In the event any such entity makes an investment in the Project, each of the following entities are hereby expressly approved by the County as a Sponsor Affiliate and each of these entities has executed this Fee Agreement and has agreed to be bound by the terms and conditions hereof: (1) Provident Life and Accident Insurance Company, (2) Provident Life and Casualty Insurance Company, (3) The Paul Revere Life Insurance Company, (4) The Paul Revere Variable Annuity Insurance Company and (5) First Unum Life Insurance Company; provided, however, unless and until any such entity makes an investment in the Project and files an SCDOR PT-300 or comparable form, it is not subject to this Agreement and has no obligations under it.

“**Stage**” in respect of the Project means the year within which Equipment, Improvements and Real Property, if any, are placed in service during each year of the Investment Period.

“**State**” means the State of South Carolina.

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

ARTICLE II

LIMITATION OF LIABILITY; INDUCEMENT

SECTION 2.1. *Limitation of Liability.* Any obligation which the County may incur for the payment of money as a result of the transactions described in the Documents shall never constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall never create a pecuniary liability of the County or a charge upon its general credit or against its taxing powers but shall be payable solely out of the funds received by it under the Documents.

SECTION 2.2. *Inducement.* The County and the Company acknowledge that pursuant to and subject to the provisions of the Act, upon execution of this Fee Agreement, no part of the Project will be subject to ad valorem property taxation in the State, and that this factor, among others, has induced the Company to enter into this Fee Agreement.

ARTICLE III

REPRESENTATIONS, WARRANTIES AND COVENANTS

SECTION 3.1. *Representations and Warranties of the County.* The County makes the following representations and warranties to the Company and covenants with the Company as follows:

(a) The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the Act to execute the Documents to which it is a party and to fulfill its obligations described in the Documents. By proper action, the County Council has duly authorized the execution and delivery of the Documents to which the County is a party and has taken all such action as is necessary to permit the County to enter into and fully perform the transactions required of it under the Documents.

(b) Assuming the constitutionality of the Act, and to the best of the County's knowledge, neither the execution and delivery of the Documents, nor the consummation and performance of the transactions described in the Documents, violate, conflict with or will result in a breach of any of the material terms, conditions or provisions of any agreement, restriction, law, rule, order or regulation to which the County is now a party or by which it is bound.

(c) To the best of the County's knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any judicial or administrative court or agency, public board or body, pending or threatened, against or affecting the County, wherein an unfavorable decision, ruling or finding may or would materially adversely affect the County's obligations hereunder or the consummation of the transactions described in the Documents.

(d) None of the proceedings taken to authorize the execution, delivery and performance of such of the Documents as require execution, delivery and performance by the County has been repealed, revoked, amended or rescinded.

(e) All consents, authorizations and approvals required on the part of the County in connection with the execution, delivery and performance by the County of such of the Documents as require execution, delivery and performance by the County have been obtained and remain in full force and effect as of the date hereof or will be obtained.

(f) Based on factual representations of the Company, the Project constitutes a "project" within the meaning of the Act.

(g) By due corporate action, the County has agreed that, subject to compliance with applicable laws, each item of real and tangible personal property comprising the Project shall be considered economic development property under the Act.

(h) Assuming the constitutionality of the Act, the Documents to which the County is a party are (or, when executed, will be) legal, valid and binding obligations of the County enforceable against the County under present law in accordance with their respective terms, except as such terms may be limited by laws affecting creditors' rights generally.

SECTION 3.2. *Covenants by the County.* The County covenants with the Company as follows:

(a) The County agrees to do all things deemed reasonably necessary, under the Act, as requested by the Company in writing in connection with the Project including but not limited to the execution, delivery and performance of its obligations in the Documents and in accordance with the Act, all for the purposes of promoting industrial development, developing trade, and utilizing and employing the manpower and natural resources of the County and the State.

(b) To the extent permitted by law, the Company may request of the County an extension of the Investment Period, for investments in excess of the statutory minimum(s), in accordance with and up to the limits permitted under Section 12-44-30(13) of the Act. The grant of any such extension by the County may be authorized by a resolution of County Council. Upon the granting of any such extension the County agrees to, at the Company's expense, cooperate with the Company in assisting the Company to file with the DOR a copy of such extension within 30 days of the date of execution thereof by the County.

SECTION 3.3. *Representations and Warranties of the Company.* The Company makes the following representations and warranties to the County and covenants with the County as follows:

(a) The Company is authorized to transact business in the State of South Carolina. The Company has full corporate power to execute the Documents to which it is a party and to fulfill its obligations described in the Documents and, by proper corporate action, has authorized the execution and delivery of the Documents to which it is a party.

(b) Neither the execution and delivery of the Documents to which the Company is a party, nor the consummation and performance of the transactions described in the Documents violate, conflict with, or will, to its knowledge, result in a material breach of any of the material terms, conditions or provisions of any agreement, restriction, law, rule, order or regulation to which the Company is now a party or by which it is bound.

(c) There is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any judicial or administrative court or agency, public board or body, pending or threatened, against or affecting the Company wherein an unfavorable decision, ruling or finding would materially adversely affects the Company or the consummation of the transactions described in the Documents.

(d) All consents, authorizations and approvals required on the part of the Company in connection with the Documents and the transactions contemplated thereby and the acquisition, construction and installation of the Project have been obtained and remain in full force and effect or will be obtained, unless the failure to have or obtain such consent, authorization or approval does not have a material adverse effect on the Company or its ability to proceed with such transactions and the Project.

(e) The Documents to which the Company is a party are (or, when executed, will be) legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms, except as such terms may be limited by laws affecting creditors' rights generally.

(f) The cost of the Project will exceed \$8,000,000.

ARTICLE IV

COMMENCEMENT AND COMPLETION OF THE PROJECT

SECTION 4.1. *The Project.* The Company has acquired, constructed and/or installed or made plans for the acquisition, construction and/or installation of certain economic development property which comprise the Project.

Pursuant to the Act, the Company and the County hereby agree that the property comprising the Project shall be economic development property as defined under the Act, so long as such property meets the requirements of the Act.

Notwithstanding any other provision of this Fee Agreement, the Company or any Sponsor Affiliate may place property into service at any time under this Fee Agreement, but such property will only qualify as economic development property under the Act if it is placed in service during the Investment Period or is Replacement Property.

SECTION 4.2. *Diligent Completion.* The Company agrees to use its reasonable efforts to cause the acquisition, construction and installation of the Project to be completed; however, notwithstanding anything contained in this Fee Agreement to the contrary, neither the Company nor any Sponsor Affiliate shall be obligated to complete the acquisition of the Project, and the Company or any Sponsor Affiliate may terminate this Fee Agreement with respect to all or portion of the Project as set forth in Article X herein.

SECTION 4.3. *Modifications to Project.* The Company and any Sponsor Affiliate may make or cause to be made from time to time any additions, modifications or improvements to the Project that it may deem desirable for its business purposes.

ARTICLE V

PAYMENTS-IN-LIEU-OF-TAXES; DISPOSITION OF PAYMENTS-IN-LIEU-OF-TAXES

SECTION 5.1. *Payments-in-Lieu-of-Taxes.* The parties acknowledge that under Article I, Section 3 of the South Carolina Constitution, the Project is exempt from ad valorem property taxes. However, the Company and the Sponsor Affiliates, as applicable, shall be required to make the Payments-in-Lieu-of-Taxes with respect to the Project as provided in this Section. In accordance with the Act, and unless this Fee Agreement is sooner terminated, the Company and, as applicable, the Sponsor Affiliates, shall make annual Payments-in-Lieu-of-Taxes with respect to the Project, said payments being due and payable at the times and places, and in the same

manner and subject to the same penalty assessments as prescribed by the County or DOR for ad valorem taxes. Such amounts shall be calculated and payable as follows:

(a) The Company has and, as applicable, the Sponsor Affiliates have, agreed to make annual Payments-in-Lieu-of-Taxes with respect to the Project in an amount equal to the property taxes that would be due with respect to such property, if it were taxable, but using an assessment ratio of 8.0% and a millage rate of 493.5 mills, which is no lower than the lower of the legally levied cumulative property tax millage rate applicable to the Site on June 30, 2008 or the legally levied cumulative property tax millage rate applicable to the Site on June 30, 2009; provided, however, that if, by December 31, 2014, an aggregate total of \$25 million has been invested in the Project, then beginning with the property tax year following the year in which such \$25 million investment threshold is achieved, the applicable assessment ratio to be used under this subsection shall be 6% rather than 8%. Subject in all events to the provisions of the Act, the fair market value for the Project shall be determined as follows:

- (i) for real property: if real property is constructed for the fee or is purchased in an arm's length transaction, using the original income tax basis for South Carolina income tax purposes without regard to depreciation; otherwise, the property must be reported at its fair market value for ad valorem property taxes as determined by appraisal; and
- (ii) for personal property: using the original tax basis for South Carolina income tax purposes less depreciation allowable for property tax purposes, except that the Company is not entitled to extraordinary obsolescence.

(b) The Payments-in-Lieu-of-Taxes shall be made on the basis that the Project property, if it were otherwise subject to ad valorem property taxes, would be allowed all applicable exemptions from those taxes, except for the exemptions allowed under Section 3(g) of Article X of the South Carolina Constitution and Section 12-37-220(B)(32) and (34) of the Code of Laws of South Carolina, as amended.

(c) The Company and, as applicable, the Sponsor Affiliates, shall make Payments-in-Lieu-of-Taxes for each year during the term hereof beginning with the tax year following the year the property is first placed in service. The Payments-in-Lieu-of-Taxes shall be made to the County Treasurer on the due dates which would otherwise be applicable for ad valorem property taxes for the Project, with the first payment being due on the first date following the delivery of this Fee Agreement when, but for this Fee Agreement, such taxes would have been paid with respect to the Project.

(d) Any property placed in service as part of the Project during the Investment Period shall be included in the calculation of payments pursuant to paragraphs (a), (b) and (c), above, for a period not exceeding 20 years following the year in which such property was placed in service. Pursuant to and subject to the Act, (i) Replacement Property shall be included (using its income tax basis) in the calculation of payments pursuant to paragraphs (a), (b) and (c), above, but only up to the original income tax basis of property which is being disposed of in the same property tax year; (ii) Replacement Property shall be deemed to replace the oldest property

subject to the fee which is disposed of in the same property tax year that the Replacement Property is placed in service; (iii) a single piece of property can replace more than one piece of property, and more than one piece of property can replace a single piece of property; (iv) Replacement Property does not have to serve the same function as the property it is replacing; (v) to the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the property which it is replacing, the portion of such property allocable to the excess amount shall be subject to annual payments calculated as if the exemption for economic development property under the Act were not allowed; and (vi) Replacement Property is entitled to the fee payment pursuant to this Section for the period of time remaining on the 20-year fee period for the property which it is replacing.

(e) Nothing in this Fee Agreement to the contrary withstanding, the Company is primarily liable for all Payments-in-Lieu-of-Taxes, and all other payments dues under this Agreement.

SECTION 5.2. *Disposal of Property; Replacement Property.*

(a) In any instance where the Company or any Sponsor Affiliate, in its sole discretion, determines that any item or items of property included in the Project have become, in whole or in part, inadequate, obsolete, worn out, unsuitable, undesirable or unnecessary, the Company or any Sponsor Affiliate may remove such item (or such portion thereof as the Company or any Sponsor Affiliate shall determine) or items and sell, trade in, exchange or otherwise dispose of it or them (as a whole or in part) without any responsibility or accountability to the County therefor. The loss or removal from the Project of any property, or any portion thereof, as a result of fire or other casualty or by virtue of the exercise or threat of the power of condemnation or eminent domain shall be deemed to be a disposal of such property, or portion thereof, pursuant to this Section. Subject to the maintenance of the statutory minimum qualifying investment, and to Section 5.1(d) and this Section with respect to Replacement Property, the Payments-in-Lieu-of-Taxes required by Section 5.1 shall be reduced by the amount thereof applicable to any property included in the Project, or part thereof, disposed of, or deemed disposed of, pursuant to this Section.

(b) The Company or any Sponsor Affiliate may, in its sole discretion, replace, renew or acquire and/or install other property in substitution for, any or all property or portions thereof disposed of, or deemed disposed of, pursuant to subsection (a). Any such property may, but need not, serve the same function, or be of the same utility or value, as the property being replaced. Absent a written election to the contrary made at the time of filing the first property tax return that would apply to such property, such property shall be treated as Replacement Property, subject to the terms of Section 5.1(d).

SECTION 5.3. *Fee Term.* The applicable term of this Fee Agreement shall be measured for each Stage beginning from the last day of the property tax year in which the Project is placed in service in that Stage through the last day of the property tax year which is the nineteenth year following such year; provided, that the maximum term of this Fee Agreement shall not be more than 20 years from the end of the last year of the Investment Period. This Fee Agreement shall terminate with respect to the Project or any Stage or part thereof upon the earlier to occur of (a)

payment of the final installment of Payments-in-Lieu-of-Taxes pursuant to Section 5.1, or (b) exercise by the Company of its option to terminate pursuant to Section 10.1.

SECTION 5.4. *Making Minimum Investment.* If the aggregate investment in the Project during the Investment Period does not equal or exceed \$8,000,000, then the Project shall revert retroactively to ad valorem taxation as required under Section 12-44-140 of the Act and, within 90 days of the end of the Investment Period, a deficiency payment shall be made to the County of the difference between the Payments-in-Lieu-of-Taxes actually made and the total retroactive amount referred to in this Section, plus interest at the same rate assessed for non-payment of ad valorem taxes. If the investment in the Project by one of the entities comprising the Company or by a Sponsor Affiliate, either alone or, if applicable, combined with the other investments in the Project, does not satisfy the minimum investment requirements of Section 12-44-130 of the Act, then that portion of the Project property owned by such Sponsor Affiliate shall revert retroactively to ad valorem taxation as required under the Act and, within 90 days of the end of the Investment Period, such Sponsor Affiliate shall make a deficiency payment to the County of the difference between the Payments-in-Lieu-of-Taxes actually made with respect to that portion of the Project property owned by such Sponsor Affiliate and the total retroactive amount referred to in this Section with respect to the same, plus interest at the same rate assessed for non-payment of ad valorem taxes.

SECTION 5.5. *Maintaining Minimum Investment.* If at any time during the term of this Fee Agreement following the period of time in which the minimum investment must be made under the Act, the investment of any entity comprising the Company or of any Sponsor Affiliate, based on income tax basis without regard to depreciation, falls below such minimum investment level, such entity shall no longer qualify for the Payments-in-Lieu-of-Taxes provided herein if and as provided in Section 12-44-140(C) of the Act.

ARTICLE VI

PROPERTY TAX EXEMPTION AND ABATEMENT

SECTION 6.1. *Protection of Tax Exempt Status of the Project.* In order to insure that the Project is not and will not become subject to ad valorem property taxes under the laws of the State of South Carolina or any political subdivision thereof, the County and the Company covenant that:

(a) all right and privileges granted to either party under this Fee Agreement or any other Documents shall be exercised so that if any conflict between this Section and any other provision in any document shall arise, then in that case, this Section shall control;

(b) the County and the Company have not knowingly committed or permitted and will not knowingly commit or permit (as to any act over which either has control) any act which would cause the Project to be subject to ad valorem property taxes by the County or political subdivision of the State of South Carolina in which any part of the Project is located; and

(c) the Company will maintain the identity of the Project as a “project” in accordance with the Act.

ARTICLE VII

EFFECTIVE DATE

SECTION 7.1. *Effective Date.* This Fee Agreement shall become effective as of the date first written above.

ARTICLE VIII

SPECIAL COVENANTS

SECTION 8.1. *Confidentiality.* The County acknowledges and understands that the Company or any Sponsor Affiliate may have and maintain at the Project certain confidential and proprietary information. The County agrees that, except as required by law, neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to receive any such confidential or proprietary information, or (ii) shall request or be entitled to inspect the Project or any property associated therewith, in either case, unless they shall comply with the remaining provisions of this Section, or (iii) shall knowingly and intentionally disclose or otherwise divulge any such confidential or proprietary information to which it may become privy to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by State law and providing prompt notice thereof to the Company. Prior to disclosing any confidential or proprietary information or allowing inspections of the Project or any property associated therewith, the Company may require the execution, to the extent permitted by law, of reasonable, individual, confidentiality and non-disclosure agreements by any officers, employees or agents of the County or any supporting or cooperating governmental agencies who would gather, receive or review such information or conduct or review the results of any inspections. In the event that the County is required to disclose any confidential or proprietary information obtained from the Company or any Sponsor Affiliate to any third party, the County agrees to provide the Company with maximum possible advance notice of such requirement before making such disclosure, and to cooperate with any attempts by the Company or any Sponsor Affiliate to obtain judicial or other relief from such disclosure requirement.

SECTION 8.2. *Indemnification Covenants*

(a) The Company shall and agrees to hold the County and its County Council members, officers, agents and employees harmless from all pecuniary liability in connection with those reasons set forth in subsection (b). Such indemnification obligation shall survive any termination of this Fee Agreement.

(b) Notwithstanding the fact that it is the intention of the parties that neither the County nor any of its members, officers, agents and employees shall incur any pecuniary liability to any third-party by reason of any claim or loss or damage to property or any injury or death of any person or persons occurring in connection with the planning, design, acquisition, construction and carrying out of the Project if the County or any of its members, officers, agents

or employees should incur any such claim, loss or damage, then, in that event the Company shall indemnify and hold harmless the County and its members, officers, agents and employees against any such claim, loss or damage and all costs and expenses incurred in connection with any such claim, and upon notice and request from the County, the Company at its own expense shall defend the County and its officers, agents and employees in any such action or proceeding.

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

SECTION 8.3. *Assignment and Leasing.* With the County's consent, which shall not be unreasonably withheld, any or all of the Company's or any Sponsor Affiliate's interest in the Project and/or this Fee Agreement may be transferred or assigned by the Company, any such Sponsor Affiliate or any assignee to any other entity; provided, however, that such consent is not required in connection with financing-related transfers or any other transfers not requiring the consent of the County under the Act. The County hereby expressly consents to any transfer or assignment of all or part of their respective interests in the Project and/or this Fee Agreement among the Operating Company, the Other Companies, Provident Life and Accident Insurance Company, Provident Life and Casualty Insurance Company, The Paul Revere Life Insurance Company, The Paul Revere Variable Annuity Insurance Company, First Unum Life Insurance Company, and any other Sponsor Affiliates. The County agrees that the County Council can provide any required consent by a resolution of County Council. The Chair of County Council and the County Administrator are hereby expressly jointly authorized to evidence the County's consent by executing such documents as the Company may reasonably request. Except as otherwise required by the Act or this Fee Agreement, a transaction or an event of sale, assignment, leasing, transfer of an interest herein, disposal, or replacement of all or part of the Project shall not be a termination of this Fee Agreement in whole or in part or a basis for changing the fee payments due under Section 12-44-50 of the Act.

SECTION 8.4. *Sponsor Affiliates.* The Company may designate from time to time additional Sponsor Affiliates pursuant to the provisions of Section 12-44-30(19) and Section 12-44-130 of the Act, which Sponsor Affiliates shall be entities which may join with the Company to make investments with respect to the Project, or which may participate in the financing of such investments, and which agree to be bound by the terms and provisions of this Fee Agreement. The County hereby expressly consents to and approves the designation as Sponsor Affiliates of each of the entities defined as such in Section 1.3 hereof. All other Sponsor Affiliates which otherwise meet the requirements of Section 12-44-30(19) and Section 12-44-130 of the Act must be approved by resolution of the County Council and must execute a Joinder Agreement, in substantially the form attached hereto as Exhibit C, by which a Sponsor Affiliate agrees to be bound by terms of this Fee Agreement.

The Company shall provide the County and the Department of Revenue with written notice of any Sponsor Affiliate designated pursuant to this Section within 90 days after the end of the calendar year during which any such Sponsor Affiliate has placed in service assets to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Act.

ARTICLE IX

EVENT OF DEFAULT AND REMEDIES

SECTION 9.1. *Events of Default Defined.* The occurrence of any one or more of the following events shall be an “Event of Default” under this Fee Agreement:

(a) If the Company shall fail to make any Payment-in-Lieu-of-Taxes or any other amount required under this Fee Agreement and such failure shall continue for 30 days after receiving written notice of default from the County; or

(b) If the Company shall fail to observe or perform any covenant, condition or agreement required herein to be observed or performed by the Company or the County (other than as referred to in subsection (a)), and such failure shall continue for a period of 30 days after written notice of default has been given to the Company by the County or to the County by the Company; provided if by reason of “force majeure” as hereinafter defined the Company or the County is unable in whole or in part to carry out any such covenant, condition or agreement or if it takes longer than 30 days to cure such default and the Company or the County is diligently attempting to cure such default, there shall be no Event of Default during such inability. The term “force majeure” as used herein shall mean circumstances not reasonably within the control of the parties, such as without limitation, acts of God, strikes, lockouts or other industrial disturbances; war; acts of public enemies; mobilization or military conscription on a large scale; order of any kind of the government of the United States or any State, or any civil or military authority other than the County Council; insurrections; riots; landslides; earthquakes; fires; lightning; storms; droughts; floods; requisitions, confiscation, or commandeering of property; fuel restrictions; general shortages of transport, goods, or energy; or

(c) If any material representation or warranty on the part of the Company made in the Documents, or in any report, certificate, financial or other statement furnished in connection with the Documents or the transactions described in the Documents shall have been false or misleading in any material respect.

SECTION 9.2. *Remedies on Default.* Whenever any Event of Default shall have happened and be subsisting the County may (i) terminate this Fee Agreement by providing at least thirty (30) days written notice to the Company specifying the termination date, or (ii) take whatever action at law or in equity may appear legally required or necessary or desirable to collect the payments and other amounts then due or to enforce performance and observance of any obligation, agreement or covenant of the Company under the Documents. Although the parties acknowledge that the Project is exempt from ad valorem property taxes, the County and any other taxing entity affected thereby may, without limiting the generality of the foregoing, exercise the remedies provided by general law (Title 12, Chapter 49) and the Act relating to the enforced collection of taxes. The County’s right to receive Payments-in-Lieu-of-Taxes shall have a first priority lien status pursuant to Section 12-44-90 of the Act and Chapters 4 and 54 of the South Carolina Code.

SECTION 9.3. *No Additional Waiver Implied by One Waiver.* In the event any warranty, covenant or agreement contained in this Fee Agreement should be breached by the Company or the County and thereafter waived by the other party to this Fee Agreement, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach.

ARTICLE X

OPTION OF THE COMPANY

SECTION 10.1. *Option to Terminate.* From time to time (including without limitation any time during which there may be subsisting an Event of Default) and at any time upon at least 30 days notice, the Company may terminate this Fee Agreement with respect to the entire Project or any portion thereof, and a Sponsor Affiliate may terminate this Fee Agreement with respect to its Project property. Upon termination of all or part of this Fee Agreement, the Company will become liable for ad valorem property taxes on the Project or such portion thereof as is so terminated from inclusion in the Project, as well as for any amounts already due and owing under this Fee Agreement, which latter amounts, if any, shall be paid to the County with the next installment of Payments-in-Lieu-of-Taxes pursuant to Section 5.1(c), or, if the termination is of the entire Project, then within the date which is sooner of (i) the due date otherwise applicable under this Fee Agreement or (ii) 90 days of termination.

ARTICLE XI

MISCELLANEOUS

SECTION 11.1. *Notices.* All notices, approvals, consents, requests and other communications hereunder shall be in writing and may be delivered personally, or may be sent by certified mail, return receipt requested, to the following addresses, unless the parties are subsequently notified of any change of address in accordance with this Section:

If to the Company or
any Sponsor Affiliate:

[Insert information]

If to the County:

Richland County, South Carolina
J. Milton Pope
County Administrator
2020 Hampton street
Columbia, SC 29204

With a copy to:

Ray E. Jones
Parker Poe Adams & Bernstein LLP
1201 Main Street

Any notice shall be deemed to have been received as follows: (1) by personal delivery, upon receipt and (2) by certified mail, 3 business days after delivery to the U.S. Postal authorities by the party serving notice.

SECTION 11.2. *Binding Effect.* This Fee Agreement shall inure to the benefit of and shall be binding upon the County, the Company and the Sponsor Affiliates and their respective successors and assigns.

SECTION 11.3. *Invalidity and Severability.* In the event that the Act or the Payments-in-Lieu-of-Taxes arrangement described in Section 5.1 is determined to be invalid in its entirety, the parties hereby agree that except as the final judicial decision may otherwise require, the Company and the Sponsor Affiliates shall be entitled to retain any benefits received under or pursuant to this Fee Agreement; otherwise, in the event any provision of this Fee Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, that decision shall not invalidate or render unenforceable any other provision of this Fee Agreement, unless that decision destroys the basis for the transaction, in which event the parties shall in good faith attempt to preserve, to the maximum extent possible, the benefits provided and to be provided to the Company and the Sponsor Affiliates hereunder by either restructuring or reconstituting this Fee Agreement under any then applicable law, including but not limited to Chapter 29 of Title 4 and Chapter 12 of Title 4, Code of Laws of South Carolina, as amended.

SECTION 11.4. *Payments Due on Saturday, Sunday and Holidays.* Whenever any payment to be made hereunder shall be stated to be due on a Saturday, a Sunday or a holiday, such payment shall be made on the next business day.

SECTION 11.5. *Fiscal Year; Property Tax Year.* If the Company's fiscal year changes in the future so as to cause a change in the Company's property tax year, the timing of the requirements set forth in this Fee Agreement shall be revised accordingly, except that Payments-in-Lieu-of-Taxes shall always be required to be made at the same time and subject to the same conditions, penalties, and enforcement as *ad valorem* taxes.

SECTION 11.6. *Amendments, Changes and Modifications.* Except as otherwise provided in this Fee Agreement, this Fee Agreement may not be amended, changed, modified, altered or terminated without the written consent of the County and the Company. To the maximum extent allowed by law, any such County consent, including specifically and without limitation any County consent referred to in this Fee Agreement, may be provided by a resolution of County Council. The Chair of County Council and the County Administrator are hereby expressly jointly authorized to evidence the County's consent by executing such documents as the Company may reasonably request.

SECTION 11.7. *Execution of Counterparts.* This Fee Agreement may be executed in several counterparts, only one of which shall be an original; provided, however, that any action

may be brought upon any counterpart of this Fee Agreement or any counterpart of any document that is attached to this Fee Agreement as an exhibit.

SECTION 11.8. *Law Governing Construction of Agreement.* The laws of the State of South Carolina shall govern the construction of this Fee Agreement.

SECTION 11.9. *Filings.*

(a) The Company and the Sponsor Affiliates shall provide the Richland County Auditor with a copy of all annual filings made by the Company and the Sponsor Affiliates to DOR pursuant to this Fee Agreement and the Act. Further, the Company shall cause a copy of this Fee Agreement, as well as a copy of the completed Form PT-443 of DOR, to be filed with the Richland County Auditor, the Richland County Assessor and DOR within thirty (30) days after the date of execution and delivery hereof.

(b) Notwithstanding any other provision of this Section, the Company and the Sponsor Affiliates may designate with respect to any filings delivered to the County segments thereof that the Company or any Sponsor Affiliate believes contain proprietary, confidential or trade secret matters. The County shall conform with all reasonable, written requests made by the Company or any Sponsor Affiliate with respect to maintaining the confidentiality of such designated segments.

SECTION 11.10. *Headings.* The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

SECTION 11.11. *Further Assurance.* From time to time, the County agrees to execute and deliver to the Company such additional instruments as the Company may reasonably request to effectuate the purposes of this Fee Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, RICHLAND COUNTY, SOUTH CAROLINA, and UNUM GROUP, COLONIAL LIFE & ACCIDENT INSURANCE COMPANY and UNUM LIFE INSURANCE COMPANY OF AMERICA, each pursuant to due authority, has duly executed this Fee Agreement, all as of the date first above written.

RICHLAND COUNTY, SOUTH CAROLINA

Chair, Richland County Council

ATTEST:

Clerk

UNUM GROUP

By: _____
Name: _____
Its: _____

COLONIAL LIFE & ACCIDENT INSURANCE COMPANY

By: _____
Name: _____
Its: _____

UNUM LIFE INSURANCE COMPANY OF AMERICA

By: _____
Name: _____
Its: _____

Executing as approved Sponsor Affiliates:

**PROVIDENT LIFE AND ACCIDENT
INSURANCE COMPANY**

By: _____
Name: _____
Its: _____

**PROVIDENT LIFE AND CASUALTY
INSURANCE COMPANY**

By: _____
Name: _____
Its: _____

**THE PAUL REVERE LIFE INSURANCE
COMPANY**

By: _____
Name: _____
Its: _____

**THE PAUL REVERE VARIABLE ANNUITY
INSURANCE COMPANY**

By: _____
Name: _____
Its: _____

FIRST UNUM LIFE INSURANCE COMPANY

By: _____
Name: _____
Its: _____

EXHIBIT A
DESCRIPTION OF REAL PROPERTY

1200 Colonial Life Boulevard, 1201 Averyt Avenue, 1221 Averyt Avenue, and 1235 Averyt Avenue, Columbia, SC 29210

EXHIBIT B

DESCRIPTION OF SITES

The initial Site is as follows:

1200 Colonial Life Boulevard, 1201 Averyt Avenue, 1221 Averyt Avenue, and 1235 Averyt Avenue, Columbia, SC 29210

On or about May 15, 2010 and each May 15 thereafter during the term of this Fee Agreement, the Company or Sponsor Affiliates, as applicable, shall, in the event that one or more of them elect to add or relocate any Sites in the County during the calendar year ending the preceding December 31, provide schedules or supplements reflecting such added or relocated Sites, which schedules or supplements shall become part of this Fee Agreement.

EXHIBIT C

JOINDER AGREEMENT

Reference is hereby made to (i) that certain Fee Agreement dated _____, 2009 (the "Fee Agreement") between Richland County, South Carolina (the "County") and Unum Group, Colonial Life & Accident Insurance Company and Unum Life Insurance Company of America (collectively, the "Company") and (ii) that certain Resolution dated _____, 20__ (the "Resolution") of the Richland County Council.

1. Joinder to Fee Agreement.

The undersigned hereby (a) joins as a part to, and agrees to be bound by and subject to all of the terms and conditions of, the Fee Agreement; (b) acknowledges and agrees that (i) in accordance with Section 8.4 of the Fee Agreement, the undersigned has been designated as a Sponsor Affiliate by the Company for purposes of the Project and such designation has been consented to by the County pursuant to the Resolution; (ii) the undersigned qualifies or will qualify as a Sponsor Affiliate under the Fee Agreement and Section 12-44-30(A)(19) and Section 12-44-130 of the Act; and (iii) the undersigned shall have all of the rights and obligations of a Sponsor Affiliate as set forth in the Fee Agreement.

2. Capitalized Terms.

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

3. Governing Law.

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

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

Date

Name of Entity

By: _____

Name: _____

Its: _____

Address: _____

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

Date

UNUM GROUP

By: _____
Name: _____
Its: _____

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING, PURSUANT TO TITLE 12, CHAPTER 44, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BETWEEN RICHLAND COUNTY, SOUTH CAROLINA, AND UNUM GROUP, A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE; COLONIAL LIFE & ACCIDENT INSURANCE COMPANY, A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF SOUTH CAROLINA; AND UNUM LIFE INSURANCE COMPANY OF AMERICA, A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF MAINE (COMPANIES) CONCERNING A NEW PROJECT; AUTHORIZING AND PROVIDING WITH RESPECT TO AN EXISTING PROJECT FOR THE CONVERSION OF AN ARRANGEMENT FOR FEE-IN-LIEU OF TAX PAYMENTS BETWEEN RICHLAND COUNTY AND THE COMPANIES UNDER TITLE 4, CHAPTER 12, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, TO AN ARRANGEMENT UNDER TITLE 12, CHAPTER 44, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED; AND MATTERS RELATING THERETO.

WHEREAS, Richland County (“County”), a public body corporate and politic organized and existing under the laws of the State of South Carolina has, by an Inducement Resolution adopted on February 17, 2009 (“Resolution”), taken official action to identify the Project (defined below) for purposes of applicable fee-in-lieu of taxes statutes and otherwise;

WHEREAS, the County desires to enter into a Fee Agreement with UNUM Group, a corporation organized and existing under the laws of the State of Delaware; Colonial Life & Accident Insurance Company, a corporation organized and existing under the laws of the State of South Carolina; and UNUM Life Insurance Company of America, a corporation organized and existing under the laws of the State of Maine (collectively referred to as, “Company”), which shall provide for payments of fees-in-lieu of taxes for a new project qualifying under the provisions of Title 12, Chapter 44, South Carolina Code of Laws, 1976, as amended (“Act”);

WHEREAS, the County and the Company desire to enter into a Fee Agreement as defined in the Act concerning the Company’s investment and the investment of certain sponsor affiliates pursuant to the Fee Agreement and Section 12-44-30(19) and Section 12-44-130 of the Act (“Sponsor Affiliates”) in certain real properties and improvements thereto and machinery, equipment, fixtures and other property (which properties constitute a project under the Act and are referred to as, “Project”). The Project is expected to provide significant economic benefits to the County and surrounding areas. In order to induce the Company and the Sponsor Affiliates to locate the Project in the County, the County hereby agrees to charge a fee-in-lieu of taxes with respect to the Project and otherwise make available to the Company and the Sponsor Affiliates the benefits intended by the Act;

WHEREAS, the County has previously entered into a fee-in-lieu of taxes arrangement with the Company under Title 4, Chapter 12, South Carolina Code of Laws, 1976, as amended (“Old

Act”), in connection with which the Company transferred title to certain real and personal property to the County, and the County and the Company entered into an Inducement and Millage Rate Agreement, dated as of December 29, 1995 and amended as of December 3, 1996 (“Inducement Agreement”), and a Lease Agreement, dated as of December 15, 1996 (“Lease”), concerning certain real properties and improvements thereto and machinery, equipment, fixtures and other property (“Original Project);

WHEREAS, the Act provides, at Section 12-44-170, that an entity with property subject to an existing fee-in-lieu of property tax arrangement under the Old Act, in which title is held by the County, may elect with the consent of the County to convert from such Old Act arrangement to an arrangement under the Act in which title is held by such entity, and the transferred property will automatically be considered “economic development property” for purposes of the Act subject to the following:

- (a) a continuation of the same fee payments required under the existing lease agreement;
- (b) a continuation of the same fee payments only for the time required for payments under the existing lease agreement;
- (c) a carryover of minimum investment or employment requirements of the existing arrangements to the new fee arrangement; and
- (d) appropriate agreements and amendments between the sponsor and the county entered into continuing the provisions and limitations of the prior agreement;

WHEREAS, to the extent necessary or required under the Act, the County desires to consent, approve and ratify such conversion by the Company of its facilities from an Old Act arrangement to an Act arrangement and the Fee Agreement and other documents pursuant to which such conversion is to be made;

WHEREAS, there has been prepared and presented to this meeting the proposed form of the Fee Agreements between the County and the Company with respect to both the Project and the Original Project (collectively, “Fee Agreements”);

WHEREAS, it appears that the documents referred to above, which are now before this meeting, are in appropriate form and are appropriate instruments to be executed and delivered or approved by the County for the purposes intended;

NOW, THEREFORE, BE IT ORDAINED by the County Council in meeting duly assembled as follows:

Section 1. With respect to the Project, pursuant to the Act and particularly Section 12-44-40(H) thereof, and based on information supplied to the County by the Company, the County Council has made and hereby makes the following findings:

(a) The Project constitutes a “project” as said term is referred to and defined in Section 12-44-30 of the Act;

(b) It is anticipated that the Project will benefit the general public welfare of the County by providing services, employment and other public benefits not otherwise adequately provided locally;

(c) The purposes to be accomplished by the Project are proper governmental and public purposes;

(d) It is anticipated that the Project will represent an investment of at least \$8 million in the County (without regard to whether some or all of the investment is included as economic development property under the Act but excluding property tax exemption investments);

(e) The benefits of the Project to the public are greater than the costs to the public;

(f) Neither the Project nor any documents or agreements entered into by the County in connection therewith will give rise to any pecuniary liability of the County or incorporated municipality or to any charge against their general credit or taxing power; and

(g) Having evaluated the purposes to be accomplished by the Project as proper governmental and public purposes, the anticipated dollar amount and nature of the investment to be made, and the anticipated costs and benefits to the County, the County has determined that the Project, based on factual representations to the County by the Company, will be properly classified as economic development property.

Section 2. With respect to the Original Project, the County, pursuant to the Act, hereby expressly recognizes, consents to, approves and ratifies for any and all purposes the conversion of the Company’s arrangement under the Old Act to an arrangement under the Act.

Section 3. With respect to the Original Project, the County consents to the transfer of title to all property, both real and personal, back to the Company and the cancellation of the Lease and the Inducement Agreement (to the extent said agreements are not cancelled by operation of law) without further payment or penalty to the County under the Lease or the Inducement Agreement.

Section 4. The form, terms and provisions of each of the Fee Agreements which are before this meeting and filed with County Council are hereby approved and all of the terms, provisions, and conditions thereof are hereby incorporated herein by reference as if each of the Fee Agreements were set out in this Ordinance in their entirety. The Chair of the County Council and the Clerk to County Council be and they hereby are authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreements to the Company. The Fee Agreements are to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not be materially adverse to the County, as approved by the officials of the County executing same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the forms of the Fee Agreements now before this meeting. With respect to the Original Project, the County agrees to take such other actions as may

be reasonably necessary or appropriate for the cancellation of the Lease and Inducement Agreement, and the execution of the Fee Agreement, Reconveyance of Title to Real Estate, Reconveyance of Bill of Sale, and any all other documents that the Company may reasonably request to reconvey to the Company title to any property that has been conveyed by the Company to the County pursuant to the Lease and to evidence the consent, approval and ratification described in this Ordinance.

Section 5. The Chair of County Council and the County Administrator, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreements and the performance of all obligations of the County under and pursuant to the Fee Agreements.

Section 6. The consummation of all transactions contemplated by the Fee Agreements are hereby approved.

Section 7. This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina.

Section 8. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 9. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

[Signatures Appear on Following Page]

RICHLAND COUNTY COUNCIL

By: _____
Paul Livingston, Chair

(SEAL)

Attest this _____ day of
_____, 2009

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading: July 7, 2009 [Tentative]
Second Reading: July 21, 2009 [Tentative]
Public Hearing: July 28, 2009 [Tentative]
Third Reading: July 28, 2009 [Tentative]

Richland County Council Request of Action

Subject

An Ordinance Authorizing the Execution and delivery of an agreement to provide for the modification and termination of certain incentive agreements between Richland County and Project Olive and one or more Affiliated entities; and related matters [**THIRD READING**][**PAGES 108-109**]

Notes

First Reading: July 7, 2009
Second Reading: July 21, 2009
Third Reading:
Public Hearing:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND RATIFYING THE EXECUTION AND DELIVERY OF AN AGREEMENT BETWEEN RICHLAND COUNTY, RICHLAND COUNTY DEVELOPMENT CORPORATION AND PROJECT OLIVE, AND AUTHORIZING OTHER MATTERS RELATING TO SUCH AGREEMENT.

WHEREAS, Richland County, South Carolina (the “County”), acting by and through its County Council (the “County Council”), is empowered by the provisions of the South Carolina Constitution (the “Constitution”), the South Carolina Code of Laws, as amended (the “Code”), and the case law of the Courts of the State of South Carolina to enter into contracts;

WHEREAS, Project Olive (the “Company”) has certain business operations in the County;

WHEREAS, in connection with such operations, the Company has entered into certain agreements with the County and Richland County Development Corporation; and

WHEREAS, the Parties now wish to settle, resolve and dispose of all matters relating to such agreements by entering into a new agreement (the “Agreement”).

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

Section 1. Agreement; Further Actions. The form, terms and provisions of the Agreement which is before this meeting and filed with the Clerk to County Council is hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if it was set out in this Ordinance in its entirety. The Chair of the Council and the County Administrator be and they each are hereby authorized, empowered and directed to execute, acknowledge and deliver the Agreement. The Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall be approved by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Agreement now before this meeting. The Chair of the Council, the County Administrator and the Clerk to the Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Agreement and the performance of all obligations of the County under and pursuant thereto.

Section 2. Governing Law. This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina.

Section 3. Severability. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 4. Effectiveness of Ordinance. All orders, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This Ordinance shall take effect and be in full force from and after its passage by the Council.

Section 5. Official Action. It is the intention of the Council that this Ordinance shall constitute an official action on the part of the County.

Section 6. County's Performance. The Chairman, the County Administrator, the Clerk, and the County Attorney are each authorized and directed to do all things necessary or appropriate to effect the County's performance of its obligations under the Agreement.

Section 7. Effective Date. This Ordinance shall take effect upon the date of enactment.

DONE, RATIFIED AND ADOPTED this ___ day of _____, 2009.

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Paul Livingston, Chair
Richland County Council

ATTEST THIS THE ___ DAY
OF _____, 2009.

Michielle R. Cannon-Finch
Clerk of Council

First Reading: _____
Second Reading: _____
Public Hearing: _____
Third Reading: _____

Richland County Council Request of Action

Subject

Request to endorse the FY 2009-10 Community Development Annual Action Plan

Richland County Council Request of Action

Subject

Request to approve the acceptance of "Adopt an Interchange" funding from SCDOT in the amount of \$157,000 and to authorize the county to proceed with the Fort Jackson Gateway Beautification Project at Exit 12 of I-77 (Forest Drive)

Richland County Council Request of Action

Subject

Request to award a contract to Armstrong Contractors, in the amount of \$163,198.00 for the Lake Elizabeth Crane Creek IIA - Providence Plantation Capital Improvement Project

Richland County Council Request of Action

Subject

An Ordinance amending the Richland County Code of Ordinances; Chapter 18, Offenses, so as to clarify requirements pertaining to the smoking of tobacco products in the unincorporated area of Richland County

Richland County Council Request of Action

Subject

A resolution to enter into a collaborative partnership with Palmetto Health for the implementation of the 2009 Palmetto Health Women at Heart Forum and Exhibition

Richland County Council Request of Action

Subject

Request to provide \$100,000 in mass transit fee funds to the Central Midlands Regional Transit Authority (CMRTA) for the purpose of providing local matching funds (20%) for the undertaking of three studies required under the terms of the Intergovernmental Agreement

Richland County Council Request of Action

Subject

Council Motion (Pearce): Request to reverse the action proposed by the county regarding the termination of payroll deductions for county employees wishing to have their policies with Colonial Life Insurance remain in force, and to continue collecting these payments on behalf of Colonial Life

Richland County Council Request of Action

Subject

Request to approve the renewal of a contract with Professional Pathology Services, PC to perform autopsies and postmortem examination for the Coroner's Office for FY 2009-10

Richland County Council Request of Action

Subject

Request to approve the acceptance of an Energy Efficiency and Conservation Block Grant (EECBG) in the amount of \$2,116,800 from the U. S. Department of Energy (DOE) contingent upon approval by the DOE (One Full-Time Personnel, No Match Required)

Richland County Council Request of Action

Subject

Request to approve the purchase of a Microsoft "Software Assurance" from the vendor DELL/ASAP SOFTWARE on the South Carolina State Contract in an amount not to exceed \$120,811

Richland County Council Request of Action

Subject

Request to approve the recommendation of the Neighborhood Matching Grant committee for funding to eligible projects under the Neighborhood Matching Grant program

Richland County Council Request of Action

Subject

Request to approve the acceptance of a grant in the amount of \$19,000 from the South Carolina Project Safe Neighborhoods Program for a Part-Time Firearms Technician at the Richland County Sheriff's Department (Part-Time Personnel, No Match Required)

Richland County Council Request of Action

Subject

911 Communications Center Consolidation Agreement Extension [**PAGES 123-124**]

ITS: -----

CITY OF COLUMBIA

BY: -----

Steven A. Gantt

ITS: Interim City Manager

Richland County Council Request of Action

Subject

Must Pertain to Items Not on the Agenda