



Chester County Council Meeting

R. Carlisle Roddey Government Building
1476 J A Cochran Bypass | Chester, SC 29706
Monday, July 21, 2025 | 6:00 PM

AGENDA

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE AND INVOCATION

3. APPROVAL OF MINUTES

- a) July 7, 2025 County Council Meeting Minutes
- b) July 14, 2025 County Council Workshop Minutes

4. CITIZEN'S COMMENTS

5. PUBLIC HEARING

- a) Ordinance 2025-13 Approving the execution and delivery of a project agreement between the County and Project Eureka Mills; and providing for other related matters.

6. ORDINANCES | RESOLUTIONS | PROCLAMATIONS

- a) 2nd Reading of Ordinance 2025-13
Approving the execution and delivery of a project agreement between the County and Project Eureka Mills; and providing for other related matters.
- b) 1st Reading of Ordinance 2025-14
The addition of definitions to Chapter 22 – Article I- In General, Section 22-1; amending language of Article II- Nuisance Abatement, Section 22-19 to provide for additional conditions that result in a Public Nuisance; and to provide for other related matters.
- c) Resolution 2025-17 - A resolution approving and ratifying an assignment and assumption agreement by and between 1589 Cedarhurst, LLC and BR Diversified Industrial Portfolio 6, DST with respect to the fee in lieu of tax and incentive agreement by and between Chester County, South Carolina and 1589 Cedarhurst, LLC dated February 18, 2025.

- d) 1st Reading of Ordinance 2025-15 (Title Only)
An ordinance approving and ratifying an amended and restated fee in lieu of tax and incentive agreement by and between Chester County, South Carolina, and BR Diversified Industrial Portfolio 6, DST, a Delaware Statutory Trust; and providing for other related matters.
- e) Resolution 2025-18 - Providing preliminary approval, pursuant to Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended, for the execution and delivery of a fee in lieu of ad valorem taxes and special source revenue credit agreement by and between Chester County, South Carolina, and Chester Asphalt Terminal LLC, a South Carolina limited liability company (“company”); providing for a fee in lieu of ad valorem taxes incentive; providing for a special source revenue credit; creating or modifying a joint county industrial and business park agreement between Chester County and York County so as to establish or enlarge the park; and providing for other related matters.
- f) 1st Reading of Ordinance 2025-16
Authorizing the execution and delivery of a fee in lieu of tax and special source revenue credit agreement by and between Chester County and Chester Asphalt Terminal LLC; providing for a fee in lieu of ad valorem taxes incentive; providing for a special source revenue credit; creating or modifying a joint county industrial and business park agreement between Chester County and York County so as to establish or enlarge the park; and other related matters.

7. ADMINISTRATOR’S REPORT

8. OLD BUSINESS

9. NEW BUSINESS

- a) Accommodations Tax Board Fiscal Year 2025-2026 Recommendations
Maria Hedgepath, A-Tax Board Chair
- b) Assessor’s Office Update
Rick Anderson, Assessor
- c) Consideration of multi-year Microsoft EA Contract
Corbin Dawson, Network Administrator

10. BOARDS AND COMMISSIONS

- a) Fort Lawn Fire Protection District Board Resignation

11. EXECUTIVE SESSION

- a) Discussion of matters relating to the project update of proposed location or expansion of industries:
 - 1. Project P2480

2. Project P2493
 3. Project P2515
 4. Project P2485
 5. Project P2507
 6. Project P2532
 7. Project P2422
- b) Discussion of matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the public body – Project P2251
 - c) Discussion of matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the public body – Project P2254
 - d) Receipt of legal advice where the legal advice relates to the County Landfill

12. ACTIONS FOLLOWING EXECUTIVE SESSION

- a) Action taken regarding:
 1. Project P2480
 2. Project P2493
 3. Project P2515
 4. Project P2485
 5. Project P2507
 6. Project P2532
 7. Project P2422
- b) Action taken regarding Project P2251
- c) Action taken regarding Project P2254
- d) Action taken regarding County Landfill

13. COUNCIL COMMENTS

14. ADJOURN

Pursuant to the Freedom of Information Act, the Chester News & Reporter, The Herald in Rock Hill, SC, WSOC-TV, Channel 9 Eyewitness News, the Mfg. Housing Institute of SC, WRHI Radio Station, C&N2 News, WCNC News and Capitol Consultants were notified, and a notice was posted on the bulletin board at the Chester County Government Building twenty-four hours prior to the meeting.

Guidelines for Addressing Council	
Citizens Comments: Each citizen will be limited to three minutes. When introduced: Approach the podium, state your name and address. Speak loudly and clearly, making sure that the microphone is not obstructed. Do not address the audience – direct all comments to Council. Do not approach the Council table unless directed.	Public Hearings: Each speaker will be limited to three minutes. Anyone addressing Council will be called out of order if you: Use profanity. Stray from the subject. Make comments personally attacking an individual member of Council.



Chester County Council Meeting

R. Carlisle Roddey Government Building
1476 J A Cochran Bypass | Chester, SC 29706
Monday, July 7, 2025 | 6:00 PM

MINUTES

Present: Chairman Pete Wilson, Vice Chair Erin Mosley, Councilman Bobby Raines, Councilman Corey Guy, Councilman John Agee, County Administrator Brian Hester, County Attorney Nicole Workman, Clerk to Council Kristie Donaldson

Absent: Councilman William Killian

1. CALL TO ORDER

Chairman Wilson called the meeting to order at 6:00pm and declared a quorum of council present.

2. PLEDGE OF ALLEGIANCE AND INVOCATION

The allegiance was recited and invocation given by Councilman Guy.

3. Recognition of Midlands Deputy Coroner of the Year for South Carolina

Terry Tinker, Coroner

Chester County Coroner Terry Tinker announced the Midlands Deputy Coroner of the Year award that was awarded to Jolene Clinton. He highlighted the contributions of Ms. Clinton, praising her service as a single mother, her involvement in local fire and EMS departments, and her dedication to the community. Coroner Tinker emphasized the importance of public service and recognized Clinton's commitment to helping citizens during difficult times. He spoke proudly of his staff and the work they do serving the people of Chester County.

4. APPROVAL OF MINUTES

a) June 23, 2025 County Council Meeting Minutes

Vice Chair Mosley motioned to approve, seconded by Councilman Raines. Vote 5-0 to approve.

5. CITIZEN'S COMMENTS

6. PUBLIC HEARING

7. ORDINANCES | RESOLUTIONS | PROCLAMATIONS

a) Proclamation honoring Terri Zion for 50 years of service to Chester County Probate Court
Judge Terri Boyd Zion was honored for 50 years of service to the Chester County Probate Court. She began her career in 1975, becoming a deputy probate judge in 1991 and was elected probate judge in 2018. Throughout her career, she issued over 1,400 marriage licenses and consistently demonstrated dedication to serving the county's citizens with compassion and integrity.

b) Resolution 2025-16 Authorizing the disposition of certain real or personal property; and Providing for other related matters.

Councilman Agee motioned to approve, seconded by Councilman Raines. Vote 5-0 to approve.

8. ADMINISTRATOR'S REPORT

Administrator Hester announced Andrea Pelkey's promotion to Deputy Director of EMS, noting her extensive experience and the department's improved billing performance. Administrator Hester reported on successful code enforcement efforts, demolishing unsafe structures, and shared that Mr. Gaston was recovering from a

medical procedure. Administrator Hester reminded the Council of an upcoming council workshop on conservation subdivisions on July 14th and the second Citizens Academy starting in August. Additionally, Administrator Hester addressed a morning maintenance issue at the Beltline Recycle Center, which was quickly resolved, demonstrating the county's responsiveness to operational challenges.

9. OLD BUSINESS

- a) 3rd Reading of CCMA25-17 GFI Partners requests Tax Map #097-00-00-030-000 (83.02 acres) located off Cedarhurst Road, Chester, SC 29706 to be rezoned from Limited Industrial District (ID-2) to General Industrial District (ID-3). The Planning Commission voted 4-0 to approve. Councilman Guy motioned to approve, seconded by Vice Chair Mosley. Vote 5-0 to approve.

10. NEW BUSINESS

- a) Consideration of Stanton Subdivision Bond and Standby Irrevocable Letter of Credit - Phase 1
Planning and Development Director Jeremy Ward presented information about the Stanton subdivision bonds and standby irrevocable letter of credit for phase one. He explained that the bond was split between DR Horton and HC Stanton LLC, with each covering different infrastructure portions. Director Ward clarified that the letter of credit was a mechanism to protect the county in case of developer bankruptcy, ensuring infrastructure would be completed. He addressed a council member's concern about potential erosion issues and committed to following up with neighbors. Director Ward detailed how the bond/credit instrument would cover the estimated infrastructure costs plus an additional 50% as a contingency, protecting county taxpayers from potential financial risks.
Vice Chair Mosley motioned to approve, seconded by Councilman Guy. Vote 4-1 to approve.
- b) Public Works Department Update
Devon Bagley, Public Works Director
Public Works Director Devon Bagley presented a comprehensive update on the Public Works Department. She highlighted the auto maintenance department's cost savings, estimated at \$30,000 in labor and \$35,000 in parts, with additional value in reducing vehicle downtime. Director Bagley discussed improvements in facilities maintenance, parks and recreation management, and road maintenance. She reported on the landfill's expansion application for a 40-year extension of the construction and demolition debris site. Director Bagley also addressed recycling and litter management, mentioning the successful addition of electronics recycling and plans to add a third part-time litter position.

11. BOARDS AND COMMISSIONS

12. EXECUTIVE SESSION

Vice Chair Mosley motioned to enter into executive session, seconded by Councilman Raines. Vote 5-0 to enter into executive session.

- a) Discussion of matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the public body – P2529
- b) Discussion of matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by the public body – P2548

- c) Personnel matter regarding Purchasing Director

13. ACTIONS FOLLOWING EXECUTIVE SESSION

Vice Chair Mosley motioned to return to regular session, seconded by Councilman Guy. Vote 5-0 to return. Chairman Wilson stated that all items were taken as information only.

- a) Action taken regarding Project P2529
- b) Action taken regarding Project P2548
- c) Action taken regarding personnel matter

14. COUNCIL COMMENTS

Chairman Wilson thanked first responders for their challenging work during a recent severe automobile crash in District Four.

Councilman Agee mentioned a family's loss of a child and acknowledged the ongoing work of first responders. Administrator Hester reminded everyone about a benefit event on July 12th for Jody Weir.

15. ADJOURN

Councilman Guy motioned to adjourn, seconded by Vice Chair Mosley. Vote 5-0 to adjourn.

Time of adjournment: 7:53pm

Kristie Donaldson
Clerk to Council



Chester County Council Workshop

Subdivision Ordinances

R. Carlisle Roddey Government Building
1476 J A Cochran Bypass | Chester, SC 29706
Monday, July 14, 2025 | 4:00 PM

MINUTES

Present: Chairman Pete Wilson, Councilman Bobby Raines, Councilman John Agee, Councilman William Killian (4:07pm arrival), County Administrator Brian Hester, County Attorney Nicole Workman, Clerk to Council Kristie Donaldson

Absent: Vice Chair Erin Mosley and Councilman Corey Guy

1. Call to Order

Chairman Wilson called the meeting to order at 4:03pm and stated there was not a quorum of council members present at the moment. Chairman Wilson thanked the members of the Planning Commission for attending and also members of the audience.

2. Consideration of Subdivision Ordinances

a) Urban Conservation Subdivisions

Director Ward presented urban conservation subdivisions as a strategic approach to land development in areas with public water and sewer. The proposal reduced lot sizes from 10,000 to 6,500 square feet, allowing developers to build more homes while preserving 33% of the land as open space. This approach differed from traditional subdivisions by requiring that half of the conserved land could be privately owned for agricultural purposes, while the other half had to be common space accessible to residents, such as trails or small community farms. Located in high-density residential zones, these subdivisions aimed to maximize infrastructure use, create more attractive living environments, and provide additional green spaces. The plan offered flexibility in approval methods, including by-right, special exception, or conditional use, and was designed to balance growth with land conservation, responding to citizens' desires to protect rural character while allowing moderate development. Councilman Agee referenced the Greenway in Fort Mill as an analogous outdoor recreation area. Councilman Raines stated that allowing urban conservation subdivisions by-right would be the simplest option and closest to where we wanted to go as a county.

b) Rural Conservation Subdivisions

Director Ward presented rural conservation subdivisions as a strategic approach to land development in rural areas without public water and sewer. The proposal reduced lot sizes from two acres to one acre, allowing developers to save 55% of buildable land while supporting agricultural preservation. This approach aimed to provide landowners with an alternative to high-density rezoning or keeping land solely as farmland. The plan offered incentives such as reduced infrastructure requirements, including narrower roads and less stringent stormwater management. Director Ward suggested that half of

the conserved land could be used for active farming or timber, with the other half accessible to residents for recreation and outdoor activities. The proposal was designed to address the needs of aging landowners, support the agricultural economy, and protect the environment. Director Ward recommended allowing these subdivisions with parameters, such as limiting the number of homes and considering road conditions, to ensure they fit the character of rural areas and do not overwhelm local infrastructure. There was robust discussion among the councilman about the details of this option. There was broad agreement that rural conservation subdivisions would be a suitable option for rural development in our county, and discussion hinged on what parameters, if any, to set. Councilman Killian stated that he would like to see this sort of subdivision across the entirety of Chester County. Councilman Agee and Raines discussed infrastructure and soil issues. In addition, Chairman Wilson noted that, due to the large amount of land in the county zoned R-2, some measure of control was needed to protect rural character in unsuitable areas for development. To help address this, Chairman Wilson requested setting parameters based on road condition. Chairman Wilson also recommended requiring special approval for any such subdivision over fifty houses, to which Councilman Agee and Killian countered with closer to one hundred houses. Director Ward noted this feedback and pledged to submit a revised draft proposal for consideration to adequately preserve rural Chester County.

c) Infrastructure Requirements for Large-Lot Medium Subdivisions

Director Ward introduced large-lot medium subdivisions as a way to replicate successful older rural subdivisions like Victorian Hills and Peden Oaks. The proposal allowed medium subdivisions with lots of one and a half acres or more, eliminating requirements for sidewalks, stormwater management, and streetlights. These subdivisions would include a road frontage buffer and new open space requirements. Director Ward aimed to create an option that maintained the character of traditional rural developments, offering larger lots that provide more space and a more open living environment. The proposal was designed to be flexible, potentially allowing lots to average 1.5 acres rather than strictly requiring each lot to be that size. Director Ward suggested these subdivisions would be similar to rural conservation subdivisions but with slightly different parameters, such as maintaining standard road widths and potentially requiring rezoning due to existing zoning restrictions. The goal was to provide developers with an option that preserves the rural aesthetic and lifestyle that many Chester County residents value. There was discussion between the Planning Commission and County Council regarding the road width, gravel shoulders, and a preference was noted for these large-lot medium subdivisions to mirror the road standards for rural conservation subdivisions. Administrator Hester suggested making 1.5 acres the average lot size for these subdivisions, instead of the minimum, to provide flexibility.

3. Council Comments

Councilman Agee noted the census bureau's statistics for 2025 that stated there was a 7% decrease in population in Chester County and that more deaths occur than live births. Councilman Agee stated the subdivisions can't be all over—they must have schools.

Commissioner Walley acknowledged the paving project on 901 and stated the new road had larger shoulders that she appreciates.

Chairman Wilson asked that we keep Councilwoman Mosley's mother in our prayers due to recent health issues.

Councilman Killian stated that Councilman Guy could not make the meeting due to assisting his mother to the doctor.

4. Adjourn

Councilman Killian motioned to adjourn, seconded by Councilman Raines. Vote 4-0 to adjourn.

Time of adjournment: 5:31pm

Kristie Donaldson

Clerk to Council

CHESTER COUNTY, SOUTH CAROLINA

ORDINANCE NO. 2025-13

APPROVING THE EXECUTION AND DELIVERY OF A PROJECT AGREEMENT BETWEEN THE COUNTY AND PROJECT EUREKA MILLS; AND PROVIDING FOR OTHER RELATED MATTERS.

WHEREAS, South Carolina law authorizes counties to take actions not inconsistent with the Constitution and general laws of the State, regarding any subject the county finds necessary and proper for the general welfare and convenience of the county, including to execute and deliver contracts, to assist in redeveloping blighted areas, and to receive funds and expend funds;

WHEREAS, a project known to Chester County, South Carolina ("County") as Project Eureka Mills, which is to be developed by JM Cope Investments, LLC, or one or more affiliated or related entities (collectively, "Developer"), which owns, or intends to purchase, real property in the County at one or more parcels as more fully described on the attached Exhibit A, which is attached to this Ordinance and incorporated herein by reference ("Property");

WHEREAS, on Property, Developer intends to design and construct an attainable housing development, as more fully described on the attached Exhibit B, which is attached to this Ordinance and incorporated herein by reference (collectively "Development"), which includes the refurbishment of a former community softball field;

WHEREAS, the County intends to assist with Development by providing Developer with development grant funds; and

WHEREAS, the County and Developer have memorialized each party's respective commitments in an agreement, the substantially final form of which is attached as Exhibit C, which is attached to this Ordinance and incorporated herein by reference ("Project Agreement");

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

Section 1. *Incorporation of Findings.* The County hereby adopts and incorporates the findings contained in the "WHEREAS" clauses above.

Section 2. *Project Agreement Approval.* The Project Agreement, attached as Exhibit C, which is now before this meeting, is approved, and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if such Project Agreement were set out in this Ordinance in its entirety. The Chairman of the County Council and the Clerk of the County Council be, and they are hereby authorized, empowered and directed to execute, acknowledge, and deliver the Project Agreement in the name and on behalf of the County, and thereupon to cause the Project Agreement to be delivered to the Developer. The Project Agreement is to be in substantially the form now before this meeting and hereby approved, or with any changes therein as shall not materially adversely affect the rights of the County thereunder, or otherwise constitute a major or moderate modification as provided in the form of the Project Agreement, and which shall be approved by the County Attorney and the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of all changes therein from the form of Project Agreement now before this meeting.

Section 3. *Additional Provisions.*

(a) The Chairman, the County Administrator, and all other appropriate officials of the County are hereby authorized to execute, deliver, and receive any other agreements and documents as may be required by the County to carry out, give effect to and consummate the transactions authorized by this Ordinance;

(b) This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina;

(c) This Ordinance shall become effective immediately upon approval following third reading by the County Council;

(d) The provisions of this Ordinance are hereby declared to be severable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, that declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder; and

(e) All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of the conflict, hereby repealed.

[SIGNATURE PAGE AND THREE EXHIBITS FOLLOW]
[REMAINDER OF PAGE SUBSTANTIVELY BLANK]

CHESTER COUNTY, SOUTH CAROLINA

By: _____
Pete Wilson
Chair, County Council

[SEAL]

Attest:

Kristie Donaldson
Clerk to County Council

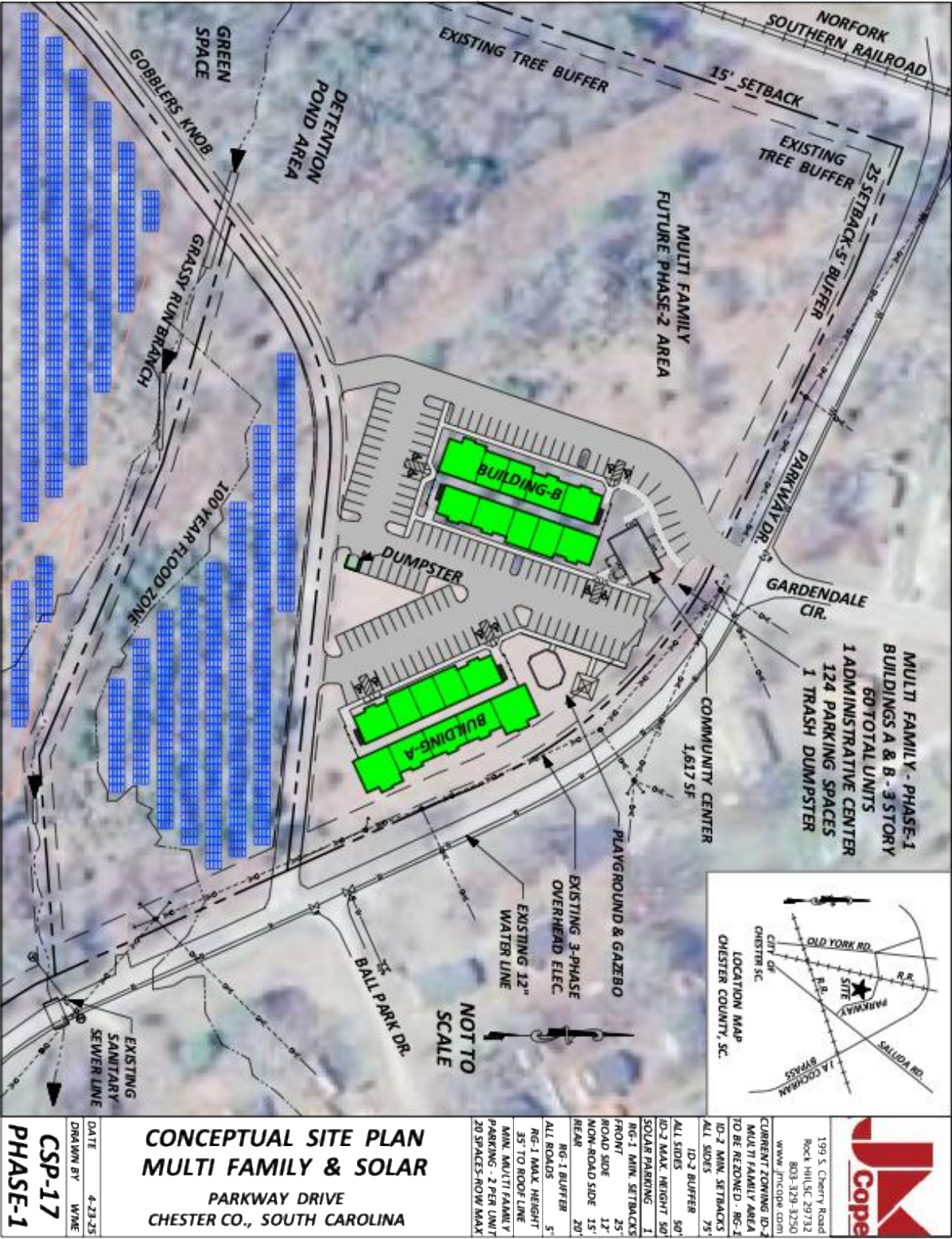
First Reading:	June 23, 2025
Public Hearing:	July 21, 2025
Second Reading:	July 21, 2025
Third Reading:	August 18, 2025

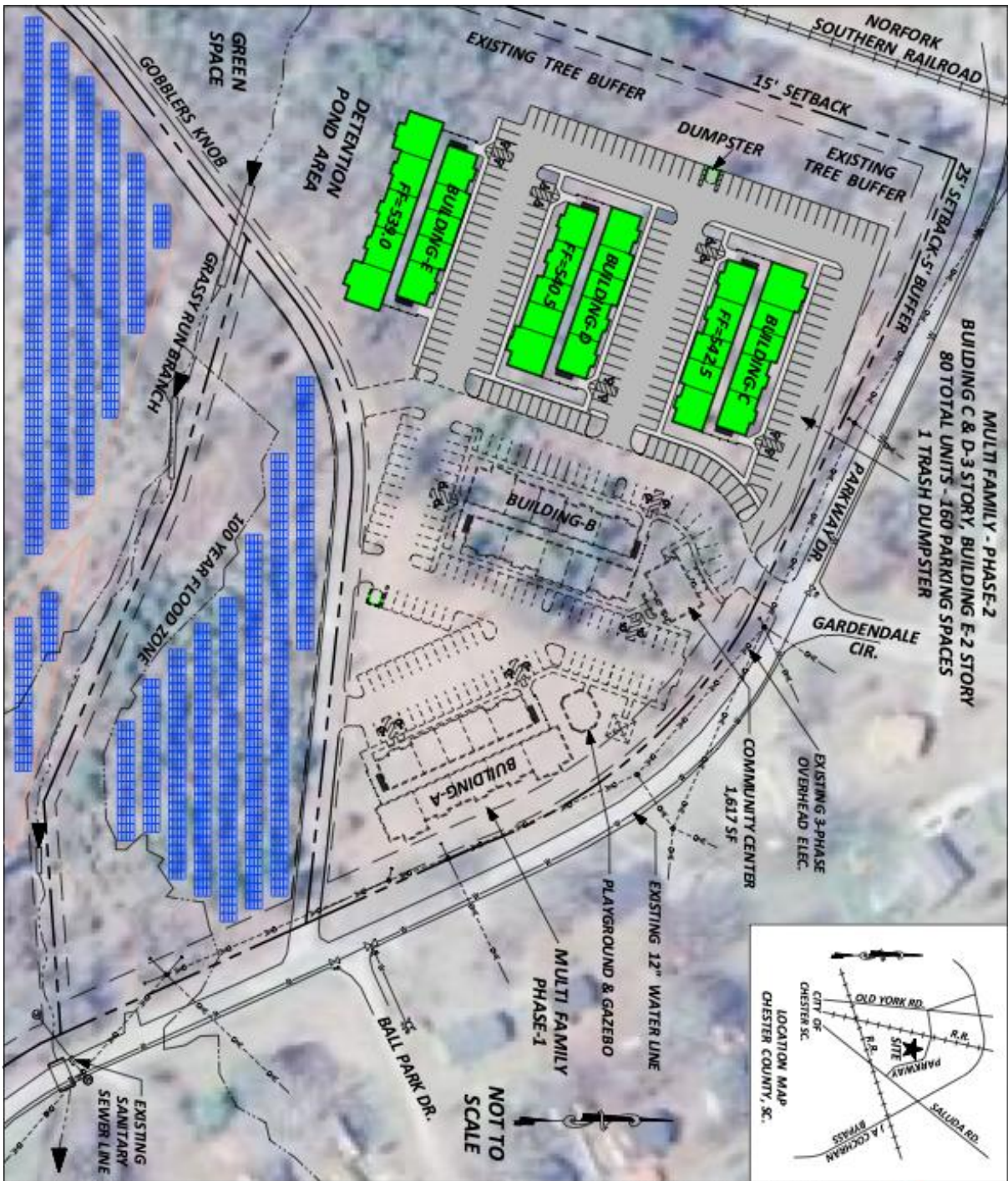
EXHIBIT A
DESCRIPTION OF PROPERTY

[Tax Map Numbers 079-01-08-004-000 (Lot 1), 079-01-08-005-000 (Lot 2), and 079-01-08-001-000 portion of (Lot 3) in Chester County, South Carolina]

EXHIBIT B
DESCRIPTION OF DEVELOPMENT

[Develop parcels, including the old mill site and those adjacent to it, for multi-family residential, solar project to provide power generation for the multi-family residential project, and provide for the refurbishment of an old community softball field with clean up and rough grading.]





	199 S. Cherry Road Rock Hill, SC 29733 803-329-3250 www.jmcope.com	CURRENT ZONING ID-2 MULTI-FAMILY AREA TO BE REZONED - RG-1 ID-2 MIN. SETBACKS ALL SIDES 75'	ID-2 BUFFER 50' ALL SIDES 50' ID-2 MAX. HEIGHT 30' SOLAR PARKING 1	RG-1 MIN. SETBACKS FRONT 25' ROAD SIDE 12' NON-ROAD SIDE 15' REAR 20'	RG-1 BUFFER 5' ALL ROADS 5' RG-1 MAX. HEIGHT 35' TO ROOF LINE MIN. MULTI-FAMILY PARKING - 2 PER UNIT 20 SPACES/ROW MAX	<table><tr><td>CSP-17 PHASE-2</td><td>DATE 4-23-25 DRAWN BY WME</td><td>CONCEPTUAL SITE PLAN MULTI FAMILY & SOLAR PARKWAY DRIVE CHESTER CO., SOUTH CAROLINA</td></tr></table>	CSP-17 PHASE-2	DATE 4-23-25 DRAWN BY WME	CONCEPTUAL SITE PLAN MULTI FAMILY & SOLAR PARKWAY DRIVE CHESTER CO., SOUTH CAROLINA
CSP-17 PHASE-2	DATE 4-23-25 DRAWN BY WME	CONCEPTUAL SITE PLAN MULTI FAMILY & SOLAR PARKWAY DRIVE CHESTER CO., SOUTH CAROLINA							

EXHIBIT C
SUBSTANTIALLY FINAL FORM
OF
PROJECT AGREEMENT (PROJECT EUREKA MILLS)

STATE OF SOUTH CAROLINA

COUNTY OF CHESTER

)
)
)

PROJECT AGREEMENT

This **PROJECT AGREEMENT** ("Agreement") is made and entered into as of the latest date of execution ("Effective Date") by and between JM Cope Investments, LLC ("Developer"), whose address for notice is 1339 Ebenezer Road, Rock Hill, South Carolina 29732; and the **Chester County, South Carolina** ("County"), whose address for notice is 1476 J.A. Cochran Bypass, Chester, South Carolina 29796 (Developer and County are referred to individually as a "Party" and collectively as "Parties").

WITNESSETH:

WHEREAS, Developer intends to develop a mixed-use project consisting of multi-family (apartment) housing and solar power generation on approximately [] acres comprised of current Tax Map Numbers 079-01-08-004-000 (Lot 1), 079-01-08-005-000 (Lot 2), and 079-01-08-001-000 portion of (Lot 3) in Chester County, South Carolina (collectively, "Project");

WHEREAS, Tax Map Number 079-01-08-004-000 (Lot 1) was approved for multi-family residential district (RG-1) zoning on May 19, 2025, by Chester County Council;

WHEREAS, prior to the action of County Council with respect to Lot 1, Tax Map Number 079-01-08-005-000 (Lot 2) had a zoning classification of multi-family residential district (RG-1);

WHEREAS, prior to the action of County Council with respect to Lot 1, Tax Map Number 079-01-08-001-000 (Lot 3) had a zoning classification of limited industrial district (ID-2);

WHEREAS, the proposed, mixed-use development will consist of (i) up to 144 multi-family (apartment) residential units, (ii) solar power generation to support the multi-family residential project, and (iii) the refurbishment of a community softball field on Lot [];

WHEREAS, based on information supplied by the Developer, the development of the Project appears to be of public interest to the long-term growth of the County's tax base and the creation of attainable house and the refurbishment of a community softball field, but will impose strains on County resources;

WHEREAS, the Parties wish to set forth terms in this Agreement to provide for the orderly development of the Project in a manner that will not overly burden County resources.

NOW, THEREFORE, based upon the recitals hereinabove and the terms and conditions set forth herein, the Parties do hereby agree as follows:

1. **Project Plans**. The Parties covenant and agree that Developer's development of the Project shall (a) be in strict conformity with (i) any conditions imposed by the County Council during the (re)zoning of the Project property, and (ii) all land use regulations generally applicable to property in the County, (b) be in general conformity to the plans attached to, and incorporated this Agreement as Exhibit A, and (c) include the refurbishment of the former community softball field located on Lot []. Nothing contained in this Agreement shall preclude modifications mutually agreed upon by the Parties so long as such modifications are consistent with South Carolina law and County land use regulations.

2. **Developer Commitment to Mitigation Fees**. Developer covenants and agrees that Developers' development of the Project impacts County resources, including but not limited to services, parks, streets, and public safety. Developer hereby commits to mitigate the impact on County resources caused by the Project as follows: \$5,000 per dwelling unit.

3. **Nature of Mitigation Fee**. The Parties agree that, pursuant to South Carolina Code Annotated section 6-1-1050, the payments provided for in this Agreement are in lieu of impact fees for facilities or services. By Developer agreeing to make these payments, the County agrees that no impact fee may be imposed by the County on Developer for the Project.

4. **County's Commitment.** County covenants and agrees that it shall cooperate in good faith with Developer on development of the Project through (i) the site plan and construction approval process, (ii) maintaining and developing County resources to serve the County in a manner as deemed appropriate by County Council, (iii) rebating to the Developer such Mitigation Fees as are paid by the Developer according to paragraph 2, of this Agreement, at the conclusion of the refurbishment of the softball field, and (iv) providing up to \$50,000 in funds, if available and presently held by the County, as and to the extent previously designated for environmental mitigation of the Project.

5. **Notices.** All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when delivered by hand; mailed by certified or registered mail, postage prepaid; or mailed by overnight mail, and addressed to the Party at its address set forth on the first page of this Agreement or at such other address as a Party may provide to the other Party as a "notice" under this paragraph 4. Notices may be delivered to (or given on behalf of the applicable Party by) each Party's respective attorney.

6. **Assignment or Transfer.** This Agreement shall be binding on the Parties, their successors and assigns. Developer may, at its sole discretion, transfer its development rights in the Project to other developers. If such transfer occurs prior to the payment of mitigation fees described in Paragraph 2 hereof for any portion of property subject to such transfer, the Developer must give notice to the County of the transfer. In the event of the sale, transfer, or other conveyance of all or a portion of the property, Developer shall be released from any further obligations with respect to this Agreement as to the portion of the property so transferred, and the transferee shall be considered as substituted as Developer under the Agreement as to the portion of the Property so transferred, provided, however, no such transfer is effective until each transferee has executed and delivered to the County an acceptance of all obligations of Developer under this Agreement.

7. **Execution in Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which shall constitute but one and the same instrument. Any such counterpart may be signed by one or more of Developer and County as long as each of them has signed one or more of such counterparts.

8. **Terms of this Agreement Controlling.** In the event of any inconsistency or conflict between any term, covenant, or condition of this Agreement and any other document now existing and pertaining to this Agreement, all terms, covenants, and conditions of this Agreement shall in all respects be controlling.

9. **Entire Agreement.** Except as otherwise provided herein, this Agreement shall constitute the entire and full agreement and understanding between Developer and County and shall supersede all prior and/or contemporaneous agreements, understandings, and discussions between them, written and/or oral, all of which shall be deemed merged into this Agreement and shall be of no further force or effect.

[ONE SIGNATURE PAGE AND ONE EXHIBIT FOLLOW]
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IN WITNESS WHEREOF, the Parties hereby set their hands and seals effective as of the Effective Date.

CHESTER COUNTY, SOUTH CAROLINA

By: _____
Pete Wilson, Chair, County Council

Date: _____

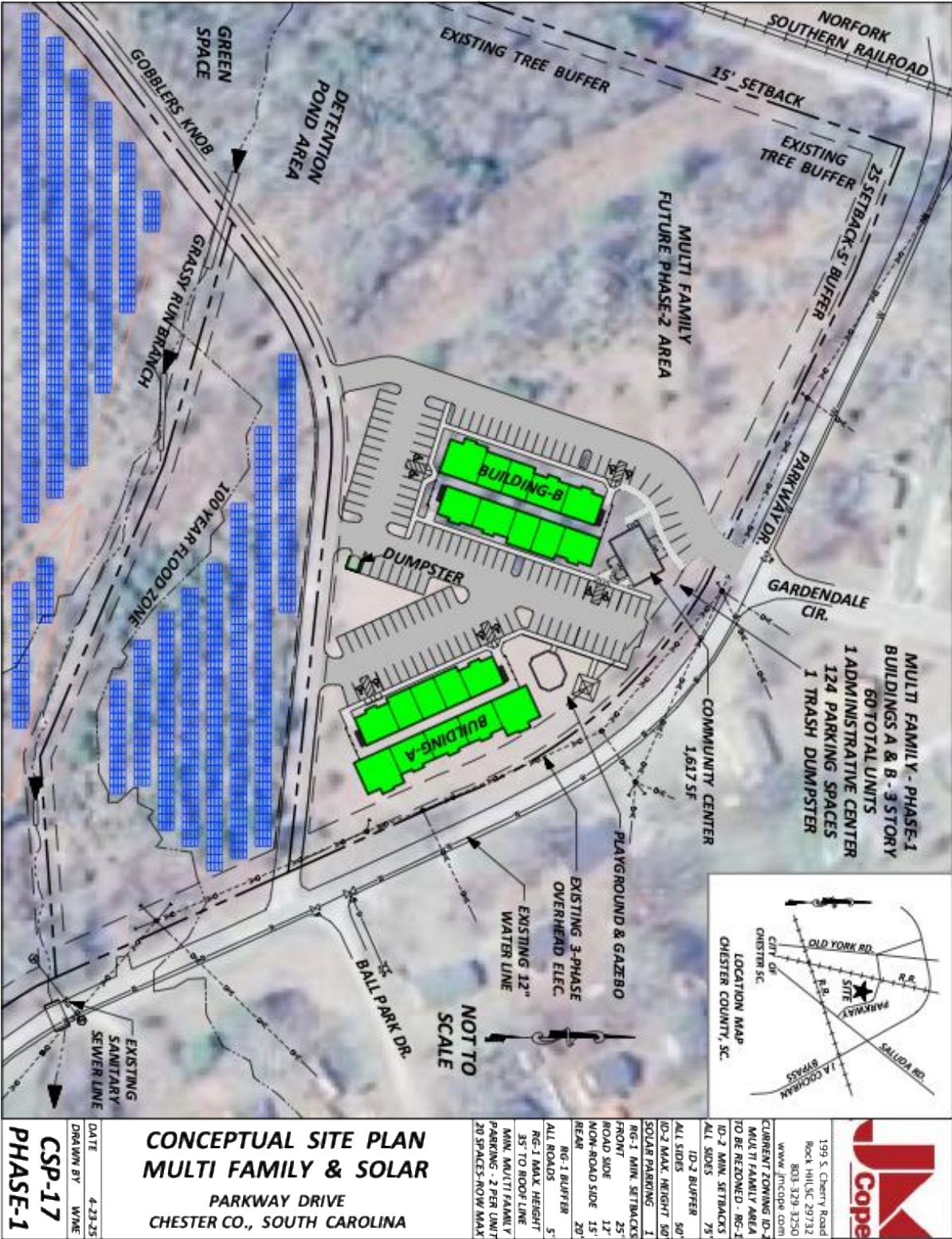
JM COPE INVESTMENTS, LLC

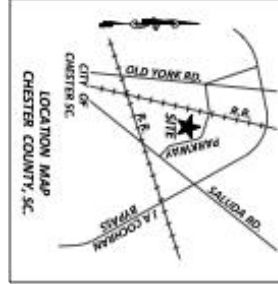
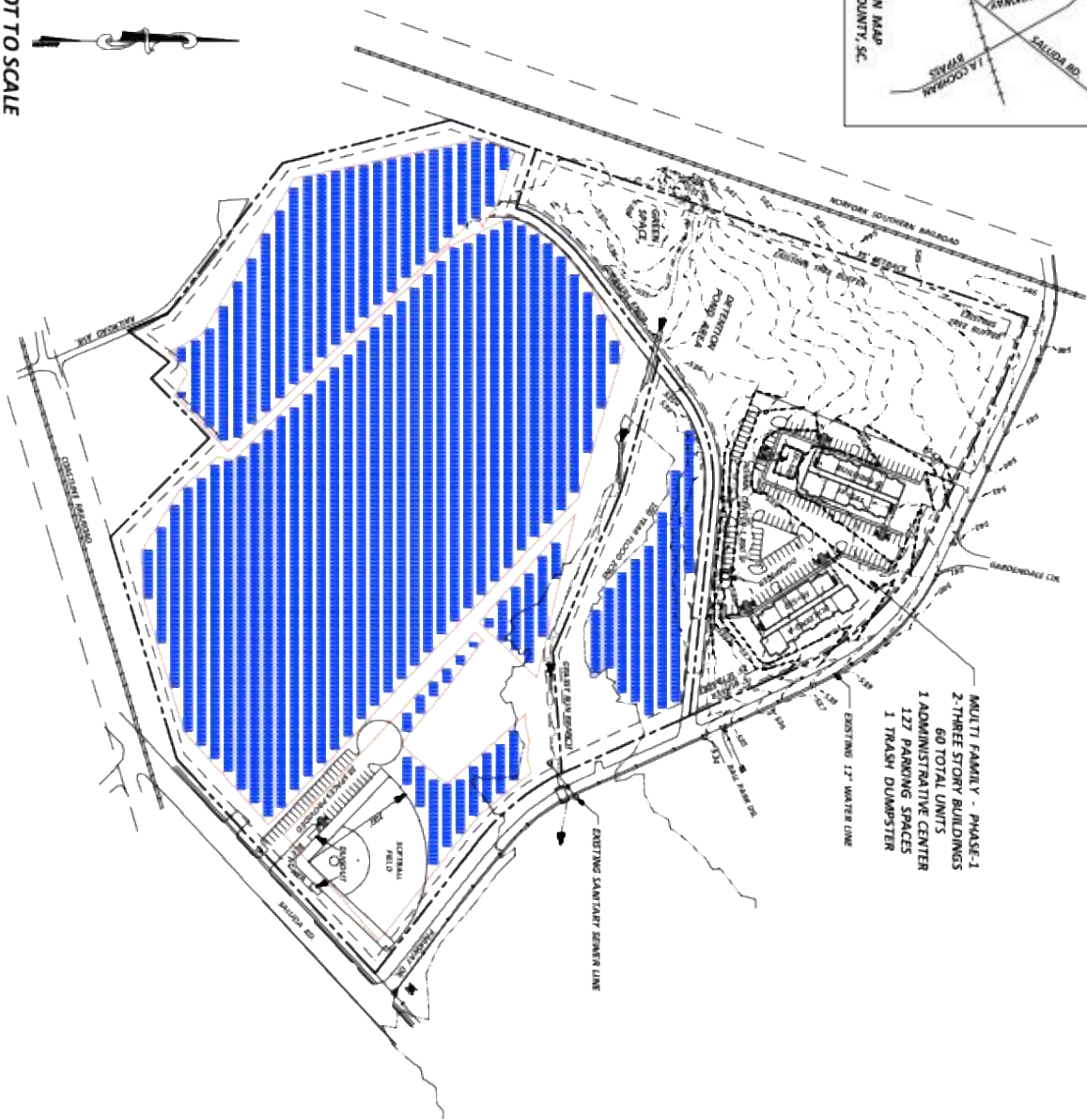
By: _____
Andrew Cope, Member

Date: _____

EXHIBIT A
DEVELOPMENT PLANS

Develop parcels, including the old mill site and those adjacent to it, for multi-family residential, solar project to provide power generation for the multi-family residential project, and provide for the refurbishment of an old community softball field with clean up and rough grading.





- MULTI FAMILY - PHASE-1
- 2-THREE STORY BUILDINGS
- 60 TOTAL UNITS
- 1 ADMINISTRATIVE CENTER
- 127 PARKING SPACES
- 1 TRASH DUMPSTER



199 S. Cherry Road
Rock Hill, SC 29732
803-329-3250
www.jimcoopec.com

www.jmcope.com

CURRENT ZONING ID-
MULTI FAMILY AREA
TO BE REZONED - RG-1
NO. 2 NEW SETBACKS

ALL SIDES	75
-----------	----

ALL SIDES	50
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SOLAR PARKING 1

NO-1 MIN. SET BACKS
FRONT 25'

ROAD SIDE	12'
NON-ROAD SIDE	15'

REAR	20
PG-1 BUFFER	

ALL ROADS	5'
PG-1 MAX. HEIGHT	

35' TO ROOF LINE
MIN. MULTI FAMILY

PARKING - 2 PER UNIT

**CONCEPTUAL SITE PLAN
MULTI FAMILY & SOLAR USE
PARKWAY DRIVE
CHESTER CO., SOUTH CAROLINA**

DATE 4-16-25

DRAWN BY WME

CSP-12

CHESTER COUNTY, SOUTH CAROLINA

ORDINANCE NO. 2025-14

THE ADDITION OF DEFINITIONS TO CHAPTER 22 –
ARTICLE I- IN GENERAL, SECTION 22-1; AMENDING
LANGUAGE OF ARTICLE II- NUISANCE ABATEMENT,
SECTION 22-19 TO PROVIDE FOR ADDITIONAL
CONDITIONS THAT RESULT IN A PUBLIC NUISANCE; AND
TO PROVIDE FOR OTHER RELATED MATTERS.

WHEREAS, the County, by and through its County Council, is authorized and empowered to provide for the County’s internal operation according to South Carolina Constitution Article VIII, section 17, and the Home Rule Act of 1975, including section 4-9-10, *et seq.* of the Code of Laws of South Carolina 1976, as amended;

WHEREAS, the County previously enacted Chapter 22, Article I- In General, reserving Sections 22-1 through 22-18 of the Code of Ordinances of the County of Chester, South Carolina (“County Code”), which provides for a general information related to Environment; and

WHEREAS, the County also previously enacted Chapter 22, Article II of the County Code, titled “Nuisance Abatement,” Section 22-19-Conditions enumerated, which provides for the details constituting conditions creating a public nuisance.

NOW, THEREFORE, the Council ordains that Chapter 22, Article I, Section 22-1 and Article II, Section 22-19 amending of the County Code, be and is hereby amended, as noted between the “*” by removing all those matters showing a strikethrough in the text and adding all those matters showing an underline in the text as follows:

CHAPTER 22- ENVIRONMENT

ARTICLE I.- IN GENERAL

Sec. 22-1. Definitions.

Definitions for the purpose of this Chapter are hereby defined to mean as follows:

Abandoned building means any building that is both:

- a. Vacant, dangerous and/or in need of repair greater than 50 percent of its fair market value; and
- b. Not occupied by the property owner, family member, renter, lessee or other legal occupant.

Abandoned manufactured home/ mobile home means any manufactured home/mobile home: that is so damaged, decayed, dilapidated, unsanitary, unsafe, or vermin infested that it creates a hazard to the health or safety of the occupants, the persons using the mobile home, or the public.

Code enforcement officer means the person designated by the County as the person responsible for enforcement of the provisions of this Article.

Dwelling means a structure or portion of a structure arranged or designed exclusively for human habitation and includes any outhouses and appurtenances belonging thereto or usually employed therewith.

Junk shall include, but is not limited to, abandoned barrels or drums, dismantled or inoperable industrial or commercial equipment or machinery, and the following old, scrap, or used items: metal, rope, rags, batteries, paper, cardboard, plastic, rubber, pallets, appliances, motors, industrial or commercial fixtures, rubbish, debris, and wrecked, dismantled or disabled motor vehicles or parts thereof. The term shall also mean, but not be limited to, old or scrap copper, brass, aluminum, rope, rags, paper, trash, tire, carcasses, rubber debris, old vehicle parts, non-working major appliances, and other old ferrous or non-ferrous materials.

Owner means any person, persons, organization, or corporation that owns, in whole or part, the land, structure or is the purchaser of the property under contract for deed.

Parties of interest mean all individuals, associations, corporations, and others who have interests of record in a structure or dwelling.

Structure means any structure having a roof supported by columns or walls and intended for the shelter, housing or enclosure of persons or property.

Vegetation means any object of natural growth, including but not limited to shrubs, vines, and other organic matter.

Litter means all waste materials including but not limited to disposable packages or containers, trash, garage, or refuse.

Sec. 22-2 – 22-18. Reserved

ARTICLE II.- NUISANCE ABATEMENT

Sec. 22-19.- Conditions enumerated

It shall be unlawful for any person to allow property under his ownership or control to be kept in an unhealthy or unsightly condition by reason of the existence thereon of rubbish, debris, vegetation, weeds, water, foul or noxious effluvia, structural material, equipment, vehicle, or any other substance; and such unhealthy or unsightly condition constitutes a public nuisance. Conditions which constitute a public nuisance include, but are not limited to, the following:

- (1) Deposit of trash, garbage, waste, tires, or debris on private or public property in other than approved disposal containers;
- (2) Accumulation of water in which mosquitoes or other harmful bacteria may breed;
- (3) Growth of vegetation or accumulation of materials which provide a harbor or breeding place for rodents or other pests;
- (4) Growth of weeds, grass or other vegetation in excess of twenty-four (24) inches in height within one hundred fifty (150) feet of a dwelling unit or commercial structure;
- (5) Growth of weeds, grass or other vegetation that grow onto the premises owned by another which could damage the structural integrity or create a safety hazard;
- (6) A dilapidated structure which is unfit for habitation or safe commercial use, or which provides a harbor for rodents, pests, stray animals, or persons engaged in illegal activities ~~controlled substance use or sale~~;
- (7) Unauthorized production, transportation, storage, or discharge of fumes, dust, smoke, noise, lights, chemicals, toxic materials, waste, or other materials which affect or spill over onto an adjoining property ~~or~~ and pose a threat to public health or safety;

- (8) Any condition which is conducive to the transmission of communicable disease, or which increases the hazard of fire; or
- (9) A junked, abandoned, unlicensed, inoperable, and unsecured motor vehicle which may provide a harbor or breeding place for insects or rodents.

(Code 1998, § 6-201; Ord. No. 7-5-88, 7-5-1988)

Repealer. Each ordinance, resolution, regulation, order, or other directive of the County, and each part of the same, in conflict with this Ordinance, is, to the extent of that conflict, repealed, and replaced by this Ordinance.

Codification. The County shall codify the contents of this Ordinance in Chapter 22, Article I and II of the County Code as Sections 22-1 and 22-19, or as otherwise appropriately numbered, online as soon as practicable and in print as part of the County's next, regular, re-codification.

Rights Reserved to County. This Ordinance does not vest any rights in any person or entity, and the County reserves the right to repeal or amend this Ordinance and other portions of the County Code, at any time, from time to time, as often as the County, in its sole discretion, deems appropriate.

Savings Clause. Nothing in this Ordinance abrogates, diminishes, or otherwise alters any matter that arose under Chapter 22, Article I and II of the County Code as Sections 22-1 and 22-19 of the County Code then-existing prior to the enactment of this Ordinance and any matter that so arose shall be administered according to such provisions as they existed prior to the enactment of this Ordinance.

Severability. If any part of this Ordinances is unenforceable for any reason, then the remainder of this Ordinance remains in full force and effect.

[SIGNATURE PAGE FOLLOWS]
[REMAINDER OF PAGE SUBSTANTIVELY BLANK]

CHESTER COUNTY, SOUTH CAROLINA

By: _____

Pete Wilson
Chairman, County Council

[SEAL]

Attest:

Kristie Donaldson
Clerk to County Council

First Reading:	July 21, 2025
Second Reading:	August 18, 2025
Public Hearing:	August 18, 2025
Third Reading:	September 2, 2025

STATE OF SOUTH CAROLINA)
)
CHESTER COUNTY)

**RESOLUTION 2025- 17 OF
CHESTER COUNTY, SOUTH CAROLINA**

A RESOLUTION APPROVING AND RATIFYING AN ASSIGNMENT AND ASSUMPTION AGREEMENT BY AND BETWEEN 1589 CEDARHURST, LLC AND BR DIVERSIFIED INDUSTRIAL PORTFOLIO 6, DST WITH RESPECT TO THE FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BY AND BETWEEN CHESTER COUNTY, SOUTH CAROLINA AND 1589 CEDARHURST, LLC DATED FEBRUARY 18, 2025.

WHEREAS, Chester County, South Carolina (the “County”) entered into that certain Fee in Lieu of Tax and Incentive Agreement dated as of February 18, 2025 (the “FILOT Agreement”) with 1589 Cedarhurst, LLC (the “Assignor”) with respect to that certain project located at 1589 Cedarhurst Road, Chester, SC (the “Property”); and

WHEREAS, Standard Logistics Transportation LLC, a Delaware limited liability company (“Standard Logistics”), joined the FILOT Agreement as a Sponsor Affiliate on February 18, 2025, and is occupying and operating the Property. Standard Logistics is an affiliate of Building Materials Manufacturing Corporation, a Delaware corporation (the “Existing Tenant”), which is the existing tenant leasing the Property pursuant to a lease agreement with Assignor, which is being assigned to Assignee (as defined below) as of the date of the Assignment (as defined below); and

WHEREAS, the FILOT Agreement contains a minimum contractual investment requirement in the Project of at least \$25,343,846 in taxable property (the “Minimum Contractual Investment Requirement”, as more specifically defined in the FILOT Agreement); and

WHEREAS, the County acknowledges and agrees that based solely on information provided by Assignor set forth in Exhibit A attached hereto and incorporated herein, (x) Assignor’s investment in developing and expanding the warehouse facility at the Property and Assignor’s investment to acquire the land and the original building located thereon prior thereto, along with all other investments made by Assignor, Existing Tenant or any Sponsor Affiliate in the Project, qualify as investments in the Project, and are applicable towards satisfying the “Minimum Contractual Investment Requirement,” under the FILOT Agreement, and (y) as of the date hereof, Assignor has invested \$24,828,995 in taxable property; and

WHEREAS, Assignor and BR Diversified Industrial Portfolio 6, DST, a Delaware statutory trust (“Assignee”), anticipate entering into that certain Assignment and Assumption Agreement with respect to the FILOT Agreement, a copy of which is attached hereto as Exhibit B (the “Assignment”), on the date that Assignee acquires fee title ownership of the Property from Assignor, and Assignee as a Delaware statutory trust will hold fee title to the Property on a passive basis following its acquisition of the Property; and

WHEREAS, Section 6.01 of the FILOT Agreement authorizes Assignor, as the “Company” under the FILOT Agreement, to assign its rights and interests under the FILOT Agreement to the extent permitted by the Act, and with the written consent of the County, all as more particularly described in said Section 6.01; and

WHEREAS, pursuant to Section 6.01 of the FILOT Agreement and Section 12-44-120 of the Code of Laws of South Carolina, 1976, as amended, Assignor has requested the County’s approval and ratification of the Assignment, and the County has agreed to provide such approval and ratification.

NOW, THEREFORE, BE IT RESOLVED by the County Council of Chester County, South Carolina (the “County Council”), as follows:

SECTION 1. The recitals set forth above are hereby incorporated into and form a part of this Resolution. All capitalized terms used but not defined in this Resolution shall have the meanings set forth in the FILOT Agreement.

SECTION 2. The County Council hereby expressly approves of the Assignor’s leasing of the Property to the Existing Tenant, provided, however, the County has not reviewed and is not passing on any matters contained within the lease and/or any other documents between the Assignor and the Existing Tenant and/or any other documents between the Assignor and the Assignee (except for the Assignment).

SECTION 3. The County Council hereby expressly consents to the Assignment and to all of the terms, conditions and other matters set forth in the Assignment, and hereby releases Assignor from all obligations and responsibilities arising thereunder from and after the effective date of the Assignment in accordance with Section 6.01 of the FILOT Agreement and Section 12-44-120 of the Code of Laws of South Carolina, 1976, as amended. Notwithstanding the above, the County Council is not releasing Assignor from any liability or obligation under the FILOT Agreement arising prior to the Assignment. Further, the County Council agrees that Assignee shall have no liability, responsibility or obligation of any kind under the FILOT Agreement prior to the effective date of the Assignment, and any obligations and responsibilities assumed by Assignee pursuant to the Assignment shall only arise, and be enforceable against Assignee, from and after the effective date of the Assignment.

SECTION 4. The County Administrator and the Clerk to County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary or appropriate in connection with this Resolution to affect the consents of the County set forth herein.

SECTION 5. This Resolution shall take effect and be in full force from and after its passage by the County Council.

[signature page follows]

ADOPTED: July 21, 2025

CHESTER COUNTY, SOUTH CAROLINA

By: _____
Pete Wilson
Chairman, County Council

[SEAL]
ATTEST:

By: _____
Kristie Donaldson
Clerk to Council

EXHIBIT A

SCHEDULE OF PROJECT INVESTMENTS SATISFYING THE MINIMUM CONTRACTUAL INVESTMENT REQUIREMENT

2024 DEPRECIATION AND AMORTIZATION REPORT

1589 CEDARHURST

R- 1

Asset No.	Description	Date Acquired	Method	Life	C O Y	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
1	LEASING COMMISSIONS	09/25/24		108M		42	781,969.				781,969.			21,721.	21,721.
2	BUILDING	06/02/23	SL	39.00	MM	17	5,888,203.				5,888,203.	95,669.		176,621.	272,290.
3	LEASING COMMISSIONS - GAP	07/10/23		96M		43	503,356.				503,356.	31,460.		62,919.	94,379.
5	PERSONAL PROPERTY	06/02/23	200DB	5.00	HY	17	29,471.			23,577.	5,894.	1,179.		1,886.	3,065.
6	LAND IMPROVEMENTS	06/02/23	SL	15.00	HY	17	242,799.			194,239.	48,560.	1,619.		3,237.	4,856.
7	PERSONAL PROPERTY - COST SEG	09/25/24	200DB	5.00	HY	19	586,418.			351,851.	234,567.			398,764.	46,913.
8	LAND IMPROVEMENTS - COST SEG	09/25/24	SL	15.00	HY	19	1,823,588.			1,694,153.	1,129,435.			1,731,801.	37,648.
9	BUILDING IMPROVEMENTS - COST SEG	09/25/24	SL	39.00	MM	19	11442428.				11442428.			85,574.	85,574.
10	QUALIFIED IMPROVEMENT PROPERTY - COST SEG	09/25/24	SL	15.00	HY	19	197,847.			118,708.	79,139.			121,346.	2,638.
	* RENTAL TOTAL OTHER						23496079.			2,382,528.	21113551.	129,927.		2,603,869.	569,084.
	LAND														
4	LAND	06/02/23	L				795,608.				795,608.			0.	
11	LAND CLEARING AND DEMOLITION	09/25/24	L				537,308.				537,308.			0.	
	* RENTAL TOTAL LAND						1,332,916.				1,332,916.	0.		0.	0.
	* GRAND TOTAL RENTAL DEPR & AMORT						24828995.			2,382,528.	22446467.	129,927.		2,603,869.	569,084.
	CURRENT YEAR ACTIVITY														
	BEGINNING BALANCE						8,459,437.		0.	217,816.	8,241,621.	129,927.			374,590.

428111 04-01-24

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

1589 CEDARHURST

R- 1

428111 04-01-24

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

EXHIBIT B

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this “Assignment”) is made effective as of July 21, 2025 (the “Effective Date”) by and between 1589 Cedarhurst, LLC, a Delaware limited liability company (“Assignor”) and BR Diversified Industrial Portfolio 6, DST, a Delaware statutory trust (“Assignee”). Assignee and Assignor may be referred to herein collectively as the “Parties.”

WHEREAS, Assignor entered into that certain Fee in Lieu of Tax and Incentive Agreement dated as of February 18, 2025 (the “FILOT Agreement”) with Chester County, South Carolina (the “County”) with respect to that certain project located at 1589 Cedarhurst Road, Chester, SC (the “Property”); and

WHEREAS, Standard Logistics Transportation LLC, a Delaware limited liability company (“Standard Logistics”), joined the FILOT Agreement as a Sponsor Affiliate on February 18, 2025, and is occupying and operating the Property. Standard Logistics is an affiliate of Building Materials Manufacturing Corporation, a Delaware corporation (the “Existing Tenant”), which is the existing tenant leasing the Property pursuant to a lease agreement with Assignor, which is being assigned to Assignee as of the date hereof; and

WHEREAS, Section 6.01 of the FILOT Agreement authorizes Assignor, as the “Company” under the FILOT Agreement, to assign its rights and interests under the FILOT Agreement to the extent permitted by the Act, and with the written consent of the County, all as more particularly described in said Section 6.01; and

WHEREAS, as of the Effective Date, Assignee has acquired fee title ownership of the Property from Assignor; and

WHEREAS, in connection with the foregoing, Assignor desires to assign to Assignee all of Assignor’s rights and interests as the “Company” under the FILOT Agreement, and Assignee desires to accept and assume such rights and interests from and after the Effective Date, subject to and in accordance with the terms of this Assignment; and

WHEREAS, the County has approved this Assignment pursuant to that certain Resolution 2025-17, executed by the County on July 21, 2025.

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Effective as of the Effective Date, Assignor hereby assigns its rights and interests as the “Company” under the FILOT Agreement to Assignee such that Assignee shall become

the owner of all of Assignor's rights and interests under the FILOT Agreement, and Assignee agrees to accept such rights and interests.

2. Effective as of the Effective Date, Assignee hereby assumes the obligations of Assignor as the "Company" under the FILOT Agreement accruing from and after the Effective Date. Notwithstanding the above, the County Council has not consented to release Assignor from any liability or obligation under the FILOT Agreement arising prior to the Assignment.
3. As of the Effective Date, Assignor hereby represents and warrants to Assignee:
 - a. Assignor has the right and authority to enter into this Assignment and to assign all of its rights and interests in and to the FILOT Agreement.
 - b. The FILOT Agreement is in full force and effect and Assignor has not executed or agreed to any amendment or modification whatsoever thereto, either orally or in writing. Assignor has delivered to Assignee true, accurate and complete copies of (i) the FILOT Agreement, (ii) the PT-300 filed by Assignor in connection with the FILOT Agreement and (iii) the Project Investments (as hereinafter defined).
 - c. There is no default under the FILOT Agreement existing, and no event has occurred and is continuing which, with the lapse of time or the giving of notice or both, would constitute a default under the FILOT Agreement.
 - d. Assignor has filed and/or submitted all filings and other documents required under the FILOT Agreement through the Effective Date and has provided true, correct and complete copies thereof to Assignee.
 - e. Assignor's investment, along with the Existing Tenant's investment, in developing and expanding the warehouse facility at the Property and Assignor's investment to acquire the land and the original building located thereon prior thereto, along with all other investments made by Assignor, Existing Tenant or any Sponsor Affiliate in the Project, qualify as investments in the Project, and are applicable towards satisfying the "Minimum Contractual Investment Requirement," under the FILOT Agreement.
 - f. Assignor has invested \$24,828,995 (the "Approved Minimum Contractual Investment Amount") in taxable property, as set forth in Exhibit A attached hereto and incorporated herein (the "Project Investments").
 - g. All fees, expenses and payments due from Assignor under the FILOT Agreement through the Effective Date, including, without limitation, any Administrative Expenses, have been paid in full.
 - h. Assignor has obtained the County's consent to the Assignor's leasing of the Property to the Existing Tenant.
4. Assignor hereby agrees to indemnify, defend and hold harmless Assignee, its successors and assigns, from and against any and all claims, liabilities, losses, costs, damages and expenses (including reasonable attorneys' fees, charges and expenses in the enforcement of this indemnity) in connection with (i) the performance or failure to perform any agreement or obligation by Assignor under the FILOT Agreement that may have accrued or arisen before the Effective Date (or alleged to have accrued or arisen before the Effective Date), and (ii) a breach of any representation or warranty set forth in this

Assignment, including, without limitation, investment of the Approved Minimum Contractual Investment Amount.

Assignee hereby agrees to indemnify, defend and hold harmless Assignor, its successors and assigns, from and against any and all claims, liabilities, losses, costs, damages and expenses (including reasonable attorneys' fees, charges and expenses in the enforcement of this indemnity) in connection with the performance or failure to perform any obligation assumed by Assignee under this Assignment that accrues or first arises on or after the Effective Date (or alleged to have accrued or first arisen on or after the Effective Date).

5. Effective as of the Effective Date, for all purposes under the FILOT Agreement, including, without limitation, Section 9.03 thereof, the Company's address is hereby updated as follows:

As to the Company:

BIGR DIP 6 Leaseco, LLC
c/o Bluerock Real Estate, L.L.C.
27777 Franklin Rd, Suite 900
Southfield, MI 48034
Attn: Christopher Lipscomb

6. All capitalized terms used but not defined in this Assignment shall have the meanings set forth in the FILOT Agreement.
7. This Assignment may be executed in several counterparts, each of which shall be deemed to be an original, and all of which taken together, shall constitute one and the same instrument. Electronic or PDF signatures to this Assignment shall be effective.
8. This Assignment shall be governed by the laws of the State of South Carolina, except to the extent such laws would reference the governance of this Assignment to the laws of another jurisdiction.

[signature page follows]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound, have executed this Agreement as of the Effective Date.

ASSIGNOR:

1589 CEDARHURST, LLC,
Delaware limited liability company

Signature: _____
Name: _____
Title: _____

ASSIGNEE:

BR DIVERSIFIED INDUSTRIAL a
PORTFOLIO 6, DST, a Delaware statutory
trust

Signature: _____
Name: _____
Title: _____

EXHIBIT A
SCHEDULE OF PROJECT INVESTMENTS SATISFYING THE MINIMUM
CONTRACTUAL INVESTMENT REQUIREMENT

2024 DEPRECIATION AND AMORTIZATION REPORT

1589 CEDARHURST

R- 1

Asset No.	Description	Date Acquired	Method	Life	C o n v	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
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	* RENTAL TOTAL LAND						1,332,916.				1,332,916.	0.		0.	0.
	* GRAND TOTAL RENTAL DEPR & AMORT						24828995.			2,382,528.	22446467.	129,927.		2,603,869.	569,084.
	CURRENT YEAR ACTIVITY														
	BEGINNING BALANCE						8,459,437.		0.	217,816.	8,241,621.	129,927.			374,590.

428111 04-01-24

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

1589 CEDARHURST

R- 1

428111 04-01-24

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

SOUTH CAROLINA)
)
CHESTER COUNTY) **RESOLUTION 2025-18 OF**
) **CHESTER COUNTY, SOUTH CAROLINA**

PROVIDING PRELIMINARY APPROVAL, PURSUANT TO TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, FOR THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF AD VALOREM TAXES AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT BY AND BETWEEN CHESTER COUNTY, SOUTH CAROLINA, AND CHESTER ASPHALT TERMINAL LLC, A SOUTH CAROLINA LIMITED LIABILITY COMPANY (“COMPANY”); PROVIDING FOR A FEE IN LIEU OF AD VALOREM TAXES INCENTIVE; PROVIDING FOR A SPECIAL SOURCE REVENUE CREDIT; CREATING OR MODIFYING A JOINT COUNTY INDUSTRIAL AND BUSINESS PARK AGREEMENT BETWEEN CHESTER COUNTY AND YORK COUNTY SO AS TO ESTABLISH OR ENLARGE THE PARK; AND PROVIDING FOR OTHER RELATED MATTERS.

WHEREAS, Chester County, South Carolina (“County”), acting by and through its County Council (“County Council”), is authorized and empowered, under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended, through the date hereof (“Code”), particularly Title 12, Chapter 44 thereof (“FILOT Act”) and Title 4, Chapter 1 of the Code (“Multi-County Park Act” or, as to Section 4-1- 175 thereof, and, by incorporation, Section 4-29-68 of the Code, “Special Source Act,” and collectively with the FILOT Act, “Act”), and by Article VIII, Section 13 of the South Carolina Constitution: (a) to enter into agreements with investors to establish projects through which the economic development of the State of South Carolina (“State”) will be promoted and trade developed, thus utilizing and employing the manpower, agricultural products, and natural resources of the State; (b) to covenant with those investors to accept certain fee in lieu of *ad valorem* tax (“FILOT”) payments, including, but not limited to, negotiated FILOT (“Negotiated FILOT”) payments, and granting certain special source revenue credits (“SSRCs”) with respect to costs of designing, acquiring, constructing, improving or expanding (i) infrastructure serving a project or the County or (ii) improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise; and (c) to create or expand, in conjunction with one or more other counties, a multi-county industrial or business park (“MCIP”) to allow special source revenue credits and certain enhanced income tax credits to those investors;

WHEREAS, Chester Asphalt Terminal LLC (“Company”), proposes to invest in, or cause others to invest in, the development, construction, installation and operation, as applicable, of certain facilities on real property to conduct manufacturing, warehousing and distribution in the County (“Project”), which the Company expects will result in the investment of approximately \$22,050,000 in taxable property;

WHEREAS, based solely on the information supplied to it by the Company, the County has determined the Project would serve the purposes of the Act and would be directly and substantially beneficial to the County, the taxing entities of the County and the citizens and residents of the County due to the employment and investment associated therewith, which contribute to the tax base and the economic welfare of the County, and, accordingly, the County wishes to induce the Company to undertake the Project by offering the FILOT, SSRCs, MCIP, and certain other incentives; and

WHEREAS, in connection with offering such incentives, the County desires to enter into a Fee in Lieu of Ad Valorem Taxes and SSRC Agreement (“Fee Agreement”) with the Company.

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

Section 1. As contemplated by Section 12-44-40(I) of the Code, based solely on information provided to the County by the Company, the County makes the following findings and determinations: (a) the Project will constitute a “project” within the meaning of the FILOT Act; (b) the Project, and the County’s actions herein, will serve the purposes of the FILOT Act; (c) the Project is anticipated to benefit the general public welfare of the State and the County by providing services, employment, recreation, or other public benefits not otherwise provided locally; (d) the Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against its general credit or taxing power; (e) the purposes to be accomplished by the Project are proper governmental and public purposes; (f) the benefits of the Project are greater than the costs; and (g) the Project will have a substantial public benefit.

Section 2. Subject to the provisions of the Act and to the discretionary final approval by the Council through adoption of an ordinance (“Approving Ordinance”), the County Council Chair and other officials of the County as may be designated by the Approving Ordinance intend to enter a Fee Agreement with the Company containing the terms and conditions summarized in the proposed term sheet appended hereto as **Attachment A**, which is incorporated in this Resolution by reference as if fully set forth in this Resolution, and other terms and conditions as may be authorized by the Approving Ordinance. Each capitalized term used, but not defined, in **Attachment A** has the meaning ascribed to that term in this Resolution.

Section 3. All orders, resolutions, and parts thereof in conflict herewith are to the extent of that conflict hereby repealed. This Resolution shall take effect and be in full force upon adoption by the Council.

[SIGNATURE PAGE AND ONE ATTACHMENT FOLLOW]
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ADOPTED: July 21, 2025

CHESTER COUNTY, SOUTH CAROLINA

By: _____

Pete Wilson
Chair, County Council

[SEAL]

Attest:

Kristie Donaldson
Clerk to County Council

ATTACHMENT A
PRELIMINARY TERM SHEET*
FEE IN LIEU OF TAX AGREEMENT BY AND BETWEEN CHESTER COUNTY, SOUTH
CAROLINA,
AND
CHESTER ASPHALT TERMINAL LLC, A SOUTH CAROLINA LIMITED LIABILITY COMPANY

Company Commitments:	Approximately \$22,050,000 aggregate, taxable investment
Basic FILOT Terms:	6% assessment ratio; fixed millage rate of 510.8 mills; 10-year investment period; 30-year payment period for each annual increment of investment during investment period; real property not subject to reassessment
Multi-County Park:	In the County's discretion, all property of the Company in the County to be designated as part of a multi-county industrial or business park
SSRC (years/credit):	10-consecutive tax years, in an annual amount equal to 10% of each such FILOT Payment for years 1-10.

*TERMS SET FORTH IN THIS ATTACHMENT ARE SUMMARY IN NATURE AND SHALL BE SET FORTH IN GREATER DETAIL, INCLUDING APPROPRIATE CLAWBACKS, AND INDEMNIFICATION PROVISIONS, IN THE FINAL FEE IN LIEU OF AD VALOREM TAXES AND SSRC AGREEMENT.

ORDINANCE NO. 2025-16

AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT BY AND BETWEEN CHESTER COUNTY AND CHESTER ASPHALT TERMINAL LLC; PROVIDING FOR A FEE IN LIEU OF AD VALOREM TAXES INCENTIVE; PROVIDING FOR A SPECIAL SOURCE REVENUE CREDIT; CREATING OR MODIFYING A JOINT COUNTY INDUSTRIAL AND BUSINESS PARK AGREEMENT BETWEEN CHESTER COUNTY AND YORK COUNTY SO AS TO ESTABLISH OR ENLARGE THE PARK; AND OTHER RELATED MATTERS.

WHEREAS, Chester County, South Carolina (“County”), acting by and through its County Council (“County Council”), is authorized and empowered, under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended through the date hereof (“Code”), particularly Title 12, Chapter 44 thereof (“FILOT Act”) and Title 4, Chapter 1 of the Code (“Multi-County Park Act” or, as to Section 4-1-175 thereof, and, by incorporation, Section 4-29-68 of the Code, “Special Source Act,” collectively with the FILOT Act, “Act”), and by Article VIII, Section 13 of the South Carolina Constitution: (a) to enter into agreements with certain investors to establish projects through which the economic development of the State of South Carolina (“State”) will be promoted and trade developed, thus utilizing and employing the manpower, agricultural products, and natural resources of the State; (b) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax (“FILOT”) payments, including, but not limited to, negotiated FILOT (“Negotiated FILOT”) payments, and granting certain special source revenue credits (“SSRCs”) with respect to costs of designing, acquiring, constructing, improving or expanding (i) infrastructure serving a project or the County or (ii) improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise (“Infrastructure”); and (c) to create or expand, in conjunction with one or more other counties, a multicounty industrial or business park (an “MCIP”) to allow special source revenue credits and certain enhanced income tax credits to those investors;

WHEREAS, Chester Asphalt Terminal LLC, a South Carolina Limited Liability Company (“Company”) proposes to invest in, or cause others to invest in, development, construction, installation and operation, as applicable, certain facilities on real property to conduct manufacturing, warehousing and distribution in the County (“Project”), which the Company expects will result in the investment of approximately \$22,050,000 in taxable property; and

WHEREAS, based solely on the information supplied to it by the Company, the County has determined the Project would serve the purposes of the Act and would be directly and substantially beneficial to the County, the taxing entities of the County and the citizens and residents of the County due to the employment and investment associated therewith, which contribute to the tax base and the economic welfare of the County, and, accordingly, the County wishes to induce the Company to undertake the Project by offering the FILOT, SSRCs, MCIP, and certain other incentives; and

WHEREAS, in accordance with such findings and determinations, and in order to induce the Company to locate the Project in the County, the County Council adopted a Resolution on [July 21, 2025], whereby the County formally identified the Project as a “project” within the meaning of the Act, and, subject to certain conditions described therein, authorized County officials to provide the benefits of a Negotiated FILOT, an MCIP, and SSRCs with respect to the Project; and

WHEREAS, the County and the Company have agreed to specific terms and conditions of such arrangements as set forth herein and in a Fee in Lieu of Tax and Special Source Revenue Credit Agreement by and between the County and the Company with respect to the Project (“Fee Agreement”), the substantially final form of which is presented to this meeting and included as **Exhibit A**, which Fee Agreement is to be dated as of the date of this meeting, or such other date as the parties may agree; and

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

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

Section 1. *Evaluation of the Project.* Based solely on information provided by the Company, the County Council has evaluated the Project on the following criteria and based upon the advice and assistance of the South Carolina Department of Commerce and the South Carolina Department of Revenue:

- (a) whether the purposes to be accomplished by the Project are proper governmental and public purposes;
- (b) the anticipated dollar amount and nature of the investment to be made; and
- (c) the anticipated costs and benefits to the County.

Section 2. *Findings by County Council.* Based solely on information provided by and representations of the Company and the advice and assistance of the South Carolina Department of Commerce and the South Carolina Department of Revenue, as required, County Council hereby finds that:

- (a) the Project constitutes a “project” as that term is defined in the FILOT Act;
- (b) the Project will serve the purposes of the FILOT Act;
- (c) the investment by the Company in the project is anticipated to be approximately \$22,050,000, to be invested within 10 years from “Commencement Date” as such term is defined in the FILOT Act;
- (d) the Project will be located entirely within the County;
- (e) the Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise adequately provided locally;
- (f) the Project will not give rise to a pecuniary liability of the County or any municipality nor a charge against its general credit or taxing power of the County or any municipality;
- (g) the purposes to be accomplished by the Project are proper governmental and public purposes;
- (h) the inducement of the location of the Project is of paramount importance; and
- (i) the benefits of the Project to the public are greater than the costs to the public.

Section 3. *Fee-in-Lieu of Taxes Arrangement.* Pursuant to the authority of the FILOT Act, the Project is designated as “economic development property” under the FILOT Act, and there is hereby authorized a fee in lieu of taxes arrangement with the Company that will provide FILOT payments to be made with respect to personal property invested as part of the Project based upon a 6% assessment ratio, a millage of rate of 510.8 mills, and a 30-year payment period for each annual increment of investment during the investment period, all as more fully set forth in the Fee Agreement.

Section 4. *Special Source Revenue Credits.* As reimbursement to the Company for expenditures on Infrastructure, the County will provide to the Company SSRCs under the Special Source Act as set forth in the Fee Agreement, including SSRCs applicable to real and personal property at the Project for 10 consecutive tax years, in an annual amount equal to 10% for each such FILOT payment for years 1-10.

Section 5. *Execution of the Fee Agreement.* The form, terms and provisions of the Fee Agreement presented to this meeting and filed with the Clerk of the County Council be and hereby are approved, and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if such Fee

Agreement were set out in this Ordinance in its entirety. The County Administrator, the Chair of the County Council and the Clerk of the County Council be and hereby are authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company. The Fee Agreement is to be in substantially the form now before this meeting and hereby approved, or with any changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the County Attorney and the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of all changes therein from the form of Fee Agreement now before this meeting.

Section 6. *Inclusion of Project in Multi-County Park.* The County will use its best efforts to ensure the Project is included, if not already included, and will remain, in the boundaries of a multi-county industrial or business park pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13 of the State Constitution, as set forth in the Fee Agreement.

Section 7. *Miscellaneous.*

(a) The County Administrator, the Chair of the County Council and all other appropriate officials of the County are hereby authorized to execute, deliver and receive any other agreements and documents as may be required by the County in order to carry out, give effect to and consummate the transactions authorized by this Ordinance;

(b) This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina;

(c) This Ordinance shall become effective immediately upon approval following third reading by the County Council;

(d) The provisions of this Ordinance are hereby declared to be severable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, that declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder; and

(e) All ordinances, resolutions and parts thereof in conflict herewith are, to the extent of the conflict, hereby repealed.

[SIGNATURE PAGE AND ONE EXHIBIT FOLLOW]
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ENACTED: September [], 2025

CHESTER COUNTY, SOUTH CAROLINA

By: _____

Pete Wilson
Chair, County Council

[SEAL]

Attest:

Kristie Donaldson
Clerk to County Council

First Reading: July 21, 2025
Second Reading: August 18, 2025
Public Hearing: September 2, 2025
Third Reading: September 2, 2025

EXHIBIT A
SUBSTANTIALLY FINAL FORM OF
FEE IN LIEU OF TAX AND
SPECIAL SOURCE REVENUE CREDIT AGREEMENT

FEE IN LIEU OF TAX AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT

by and between

CHESTER ASPHALT TERMINAL LLC

and

CHESTER COUNTY, SOUTH CAROLINA

Dated as of [September 2], 2025

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FEE IN LIEU OF TAX AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT

This FEE IN LIEU OF TAX AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT (this “Agreement”) is dated as of [September 2], 2025, by and between Chester Asphalt Terminal LLC, a South Carolina limited liability company (the “Company”) and Chester County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (the “County”).

WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the “Council”), is authorized and empowered, under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended through the date hereof (the “Code”), particularly Title 12, Chapter 44 thereof (the “FILOT Act”) and Title 4, Chapter 1 of the Code (the “Multi-County Park Act” or, as to Section 4-1-175 thereof, and, by incorporation, Section 4-29-68 of the Code, the “Special Source Act” and collectively, the “Act”), and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to establish projects through which the economic development of the State of South Carolina (the “State”) will be promoted and trade developed, thus utilizing and employing the workforce, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain FILOT payments including, but not limited to, Negotiated FILOT Payments, with respect to a project; and (iii) to permit investors to claim Special Source Revenue Credits against their FILOT payments to reimburse such investors for expenditures in connection with certain infrastructure and other qualifying property related to a project; and (iv) to maintain, create, or expand, in conjunction with one or more other counties, a multi-county industrial or business park to allow certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Revenue Credits;

WHEREAS, the Company proposes to invest in, or cause others to invest in, development, construction, installation and operation, as applicable, certain facilities on real property to conduct manufacturing and distribution in the County (the “Project”);

WHEREAS, the Company anticipates that the Project will result in an investment of approximately Twenty-Two Million and Fifty Thousand Dollars (\$22,050,000.00) in the County;

WHEREAS, the County Council approved, on [July 21], 2025, an inducement resolution (the “Inducement Resolution”) to identify, reflect and induce the Project under the Act;

WHEREAS, as a result of the Company locating certain operations in the County, the Company requested that the County enter into this Agreement with the Company pursuant to the Act, and the Company elects to enter into such FILOT and Special Source Revenue Credit arrangements with the County in an effort to set forth the terms pursuant to which the Company may make FILOT payments and receive Special Source Revenue Credits pursuant to the Act;

WHEREAS, for the Project, the parties have determined, based solely on information provided by the Company to the County, that the Company is a Sponsor, and that the Project constitutes Economic Development Property, each within the meaning of the Act; and

WHEREAS, for the purposes set forth above, the County has, based solely on information provided by the Company to the County, determined that it is in the best interests of the County to enter into this Agreement with the Company, subject to the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, and the sum of \$1.00 in hand, duly paid by the Company to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

ARTICLE I

DEFINITIONS AND RECAPITULATION

Section 1.01. Statutorily Required Recapitulation.

(a) Pursuant to Section 12-44-55(B) of the Act, the County and the Company agree to waive the recapitulation requirements of Section 12-44-55 of the Act. Subsection (b) of this section is inserted for convenience only and does not constitute a part of this Agreement or a summary compliant with Section 12-44-55 of the Act.

(b) Summary of Agreement:

1. Legal name of each initial party to this Agreement:

Chester Asphalt Terminal LLC, a South Carolina limited liability company

2. County, street address, parcel number or other location identifier of the Project and property to be subject to this Agreement:

[TO BE COMPLETED]

3. Minimum investment agreed upon: \$22,050,000.00

4. Length and term of this Agreement: thirty (30) years for each annual increment of investment in the Project during the Investment Period

5. Assessment ratio applicable for each year of this Agreement: 6%

6. Millage rate applicable for each year of this Agreement: 510.8 mills

7. Schedule showing the amount of the fee and its calculation for each year of this Agreement: Waived by the County and the Company.

8. Schedule showing the amount to be distributed annually to each of the affected taxing entities: Waived by the County and the Company.

9. Statements:

- (a) The Project is to be located in a multi-county industrial or business park;
- (b) Disposal of property subject to payments-in-lieu-of-taxes is allowed;
- (c) Special Source Revenue Credits will be provided in an amount equal to 10% of each such FILOT Payment for years 1-10;
- (d) Payment will not be modified using a net present value calculation; and
- (e) Replacement property provisions will apply.

10. Any other feature or aspect of this Agreement which may affect the calculation of items (7) and (8) of this summary. None.

11. Description of the effect upon the schedules required by items (7) and (8) of this summary of any feature covered by items (9) and (10) not reflected in the schedules for items (7) and (8): Waived by the County and the Company.

12. Which party or parties to this Agreement are responsible for updating any information contained in this summary: The Company.

Section 1.02. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings, unless the context or use indicates another or different meaning or intent.

“*Act*” shall have the meaning set forth in the recitals hereto.

“*Administration Expenses*” shall mean the reasonable and necessary out-of-pocket expenses, including reasonable attorneys’ fees, incurred by the County with respect to: (i) the preparation, review, approval and execution of this Agreement; (ii) the preparation, review, approval and execution of other documents related to this Agreement and any multi-county industrial or business park documents; and (iii) the fulfillment of its obligations under this Agreement and any multi-county industrial or business park documents, and in the implementation and administration of the terms and provisions of the documents. The County acknowledges and agrees that the obligation of the Company for payment of Administration Expenses shall be limited as set forth in Section 12.03 hereof.

“*Affiliate*” shall mean, with respect to a Person, any Person directly or indirectly controlling, controlled by, or under common control with such other Person. For purposes of this definition, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Person, whether through the ownership of voting securities, by contract, or otherwise.

“*Agreement*” shall mean this Fee in Lieu of Tax and Special Source Revenue Credit Agreement by and among the County and the Company, as originally executed and from time to time supplemented or amended as permitted herein.

“*Co-Investor*” shall mean the Company, any other Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(19) and (20) of the Act, any Affiliate of the Company or of any such other Sponsor or Sponsor Affiliate, any tenant leasing all or a portion of the Project from the Company or any other Sponsor or Sponsor Affiliate, any developer in a build-to-suit arrangement or other leasing arrangement with respect to the Project, any lessor of equipment or other property comprising a part of the Project, and any financing entity or other third party investing in, providing funds for or otherwise making investment in real or personal property in connection with the Project. The Company shall notify the County in writing of the identity of any other Sponsor, Sponsor Affiliate or other Co-Investor and shall, to the extent the Company and any such other Sponsor, Sponsor Affiliate, or other Co-Investor intend to extend the benefits of the FILOT to property owned by any such Sponsor, Sponsor Affiliate, or other Co-Investor pursuant to Section 6.02 hereof, comply with any additional notice requirements, or other applicable provisions, of the Act. As of the original execution and delivery of this Agreement, the Company is the only Co-Investor.

“*Code*” shall mean the Code of Laws of South Carolina 1976, as amended through the date hereof, unless the context clearly requires otherwise.

“*Company*” shall mean, Chester Asphalt Terminal LLC, a South Carolina limited liability company, and its successors and assigns.

“*Confidential Information*” shall have the meaning set forth in Section 4.02(c) hereof.

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

“*County Council*” shall mean the governing body of the County and its successors.

“*Department of Revenue*” shall mean the South Carolina Department of Revenue.

“*Economic Development Property*” shall mean each item of real and tangible personal property comprising the Project, except Non-Qualifying Property.

“*Equipment*” shall mean all machinery, equipment, furnishings, and other personal property acquired by the Company and installed as part of the Project during the Investment Period in accordance with this Agreement.

“*Event of Default*” shall have the meaning set forth in Section 11.01(a) hereof.

“*Existing Property*” shall mean property proscribed from becoming Economic Development Property pursuant to Section 12-44-110 of the Code, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to the execution and delivery of this Agreement and property included in the Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (i) the Land; (ii) property acquired or constructed by the Company during the Investment Period which has not been placed in service in this State prior to the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; (iii) property acquired for the Project by the Company from and after the date of the Inducement Resolution, (iv) property described in Section 12-44-110 of the Code to the extent that the Company and any Co-Investors invest at least an additional Forty-Five Million Dollars (\$45,000,000.00), or (v) modifications which constitute an expansion of Existing Property.

“*Filings*” shall have the meaning set forth in Section 4.02(b) hereof.

“*FILOT*” shall mean the fee-in-lieu of taxes, which the Company is obligated to pay to the County pursuant to Section 5.01 hereof.

“*FILOT Act*” shall have the meaning set forth in the recitals hereto.

“*FILOT Payments*” shall mean the payments to be made by the Company or any Co-Investor with respect to its respective portion of the Project, whether made as Negotiated FILOT Payments pursuant to Section 5.01 hereof or as FILOT payments made pursuant to the Multi-County Park Act.

“*Indemnified Parties*” shall have the meaning set forth in Section 8.03 hereof.

“*Inducement Resolution*” shall have the meaning set forth in the recitals hereto.

“*Investment Commitment*” shall mean the agreement of the Company and any other Co-Investors to invest, collectively, at least Twenty-Two Million and Fifty Thousand Dollars (\$22,050,000.00) in Economic Development Property by the end of the Investment Period.

“*Investment Period*” shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is ten (10) years from the end of the Property Tax Year in which the initial Economic Development Property comprising all or a portion of the Project is placed in service, unless extended by agreement of the Company and the County pursuant to Section 12-44-30(13) of the Code.

“*Land*” shall mean the real estate on which the Project is to be located, as described in Exhibit A attached hereto. Additional real estate may be included in Exhibit A as provided in Section 4.03(a)(i), and the Company shall deliver to the County an updated Exhibit A to reflect such addition.

“*Multi-County Park*” shall mean the multi-county industrial or business park established pursuant to the Multi-County Park Agreement, or any successor Multi-County Park.

“*Multi-County Park Act*” shall have the meaning set forth in the recitals hereto.

“*Multi-County Park Agreement*” shall mean the qualifying agreement for the establishment of a multi-county industrial or business park with York County, dated December 31, 2012 (as amended, modified and supplemented from time to time).

“*Negotiated FILOT*” shall have the meaning set forth in Section 5.01(b) hereof.

“*Negotiated FILOT Payment*” shall mean the FILOT due pursuant to Section 5.01(b) hereof with respect to that portion of the Project consisting of Economic Development Property.

“*Non-Qualifying Property*” shall mean that portion of the Project consisting of: (i) property as to which the Company incurred expenditures prior to the Investment Period or, except as to Replacement Property, after the end of the Investment Period; (ii) Existing Property; and (iii) any Released Property or other property which fails or ceases to qualify for Negotiated FILOT Payments, including without limitation property as to which the Company has terminated the Negotiated FILOT pursuant to Section 4.03(a)(iii) hereof.

“*Person*” shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

“*Project*” shall mean, collectively herein, the Project, and shall include the Land, the buildings, improvements and fixtures on the land, water, sewer treatment and disposal facilities, and other machinery, apparatus, equipment, office facilities, and furnishings which are necessary, suitable, or useful, including the Equipment, and any Replacement Property.

“*Project Millage Rate*” shall mean a millage rate of 510.8 mills.

“*Property Tax Year*” shall mean the annual period which is equal to the fiscal year of the Company, or any applicable Co-Investor, as the case may be.

“*Related Entities*” shall have the meaning set forth in Section 9.01 hereof.

“*Released Property*” shall mean any portion of the Project removed, scrapped, traded in, sold, or otherwise disposed of pursuant to Section 4.03 hereof, any portion of the Project stolen, damaged, destroyed, or taken by condemnation or eminent domain proceedings as described in Article VII hereof, and any infrastructure which the Company dedicates to the public use (within the meaning of that phrase as used in Section 12-6-3420(C) of the Code).

“*Replacement Property*” shall mean all property installed in or on the Land in substitution of, or as replacement for, any portion of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to Section 5.01(g) hereof and Section 12-44-60 of the Code.

“*Special Source Act*” shall have the meaning set forth in the recitals hereto.

“*Special Source Revenue Credits*” shall mean the credits provided pursuant to Section 5.01 hereof.

“*Sponsor*” shall have the meaning set forth in Section 12-44-30(19) of the Code. As of the date of this Agreement, the Company is the only Sponsor.

“*Sponsor Affiliate*” shall have the meaning set forth in Section 12-44-30(20) of the Code.

“*State*” shall mean the State of South Carolina.

“*Term*” shall mean the term of this Agreement, as set forth in Section 10.01 hereof.

“*Transfer Provisions*” shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

Section 1.03. References to Agreement. The words “hereof”, “herein”, “hereunder”, and other words of similar import refer to this Agreement as a whole.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

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

(a) The County is a body politic and corporate and a political subdivision of the State of South Carolina and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.

(b) Based solely on information provided by the Company, the County has determined that the Project will serve the purposes of the Act, and has made all other findings of fact required by the Act in order to designate the Project as Economic Development Property.

(c) The County has duly authorized the execution and delivery of this Agreement and any and all actions necessary and appropriate to consummate the transactions contemplated hereby.

(d) This Agreement has been duly executed and delivered on behalf of the County.

(e) The County agrees to use its best faith efforts to continue to cause the land upon which the Project is located to be located within the Multi-County Park, and the County will diligently take all reasonable acts to ensure that the Project will continuously be included within the boundaries of the Multi-County Park or another multi-county industrial or business park during the Term of this Agreement in order that the maximum tax benefits afforded by the laws of the State for projects in the County located within multi-county industrial or business parks will be available to the Company.

(f) No actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the County are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

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

(a) The Company is a limited liability company, validly existing and in good standing under the laws of South Carolina. The Company has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT have been instrumental in inducing the Company to locate the Project within the County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the Company are pending or threatened against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(d) For the Project, the Company commits to use its good faith efforts to make the Investment Commitment by the end of the Investment Period. Investments made by the Company and any Co-Investors in Economic Development Property shall be included in the determination whether the Company has fulfilled its commitment made in this item to invest in the Project.

(e) The income tax year of the Company, and accordingly the Property Tax Year, for federal income tax purposes is a 52/53 week fiscal year ending on December 31 of each year.¹

(f) No event has occurred, and no condition currently exists with respect to the Company, which would constitute a default, or an Event of Default as defined herein.

ARTICLE III

UNDERTAKINGS OF THE COUNTY

Section 3.01. Agreement to Accept FILOT Payments.

(a) The County hereby agrees to accept FILOT Payments made by the Company and any Co-Investor in accordance with Section 5.01 hereof in lieu of *ad valorem* taxes with respect to the Project until this Agreement expires or is sooner terminated.

(b) The County hereby acknowledges and agrees that, pursuant to Section 12-43-220(d)(6) of the Act, no Economic Development Property shall be subject to rollback taxes. The County further covenants, to the extent allowed by law, that any portion of the Land that has not been developed by the Company (or by any Co-Investor) shall continue to be assessed using the agricultural assessment ratio until such Land is developed, so long as such property lawfully qualifies for such assessment ratio.

Section 3.02. No Warranties by County. The Company acknowledges that the County has made no warranties or representations, either express or implied, as to the condition or state of the Project or as to the design or capabilities of the Project or that it will be suitable for the Company's purposes or needs. No representation of the County is hereby made with regard to compliance by the Project or any Person with laws regulating: (i) the construction or acquisition of the Project; (ii) environmental matters pertaining to the Project; (iii) the offer or sale of any securities; or (iv) the marketability of title to any property.

Section 3.03. Invalidity. The parties acknowledge that the intent of this Agreement is to afford the Company and any Co-Investors the benefits of the Negotiated FILOT Payments in consideration of the Company's decision to locate the Project within the County and that this Agreement has been entered into in reliance upon the enactment of the FILOT Act. In the event that, for any reason, the Act and/or the

¹ **Note to ECF:** Please confirm the tax year.

Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Company or any Co-Investors benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under the Code, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there shall be due hereunder, with respect to the portion of the Economic Development Property affected by such circumstances, *ad valorem* taxes and that, to the extent permitted by law, the Company and any Co-Investors shall be entitled: (i) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (ii) to enjoy all allowable depreciation; and (iii) to receive other tax credits that would be due if the Company or any Co-Investor were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are required by law to be subject to retroactive adjustment, then there shall be due and payable by the Company or any Co-Investor to the County with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount that would have been paid as *ad valorem* taxes, together with, but only if required by law, interest on such deficiency as provided in Section 12-54-25(D) of the Code. The Company agrees that if this Agreement is reformed as provided in this Section or if retroactive adjustments are made, then under no circumstances shall the County be required to refund or pay any monies to the Company or any Co-Investor.

In addition to and notwithstanding the foregoing paragraph, the County shall not be obligated to perform any of its obligations or promises under this Section 3.03 unless the Company has otherwise complied with or provides satisfactory evidence to the County that it intends to comply with its obligations and responsibilities under this Agreement.

Section 3.04. Multi-County Park Status. The County agrees to use its best efforts to maintain the Land in the Multi-County Park until the date this Agreement expires or is terminated. If it becomes necessary to remove the Land from the Multi-County Park prior to the expiration or termination of this Agreement, the County agrees to use its best efforts to place the Land in another multi-county industrial or business park established pursuant to the Multi-County Park Act and to maintain the multi-county industrial or business park designation until the date this Agreement is terminated. The parties acknowledge and agree that the County's agreement to place and maintain the Land in a multi-county industrial or business park may be subject to the exercise of discretion by a governmental entity other than the County and the exercise of that discretion is not controlled by the County.

ARTICLE IV

UNDERTAKINGS OF THE COMPANY

Section 4.01. Commitments of the Company at the Project. For the Project, the Company agrees to meet the Investment Commitment by the end of the Investment Period. Investments made by the Company and any Co-Investors in Economic Development Property shall be included in any determination whether the Company has fulfilled its commitment made in this Section to invest in the Project.

Section 4.02. Reporting and Filing.

(a) The Company agrees to provide a copy of Form PT-443 filed with the Department of Revenue to the County Auditor, the County Economic Development Director, the County Attorney, the County Treasurer, the County Finance Director, and the County Assessor of the County not later than thirty (30) days after execution and delivery of this Agreement. Each year

during the Term of this Agreement, the Company shall deliver to the County Auditor, the County Economic Development Director, the County Attorney, the County Assessor, the County Treasurer, and County Finance Director a copy of their most recent annual filings made with the Department of Revenue with respect to the Project, not later than thirty (30) days following delivery thereof to the Department of Revenue.

(b) The Company agrees to maintain such books and records with respect to the Project as will permit the identification of those portions of the Project placed in service in each Property Tax Year during the Investment Period, the amount of investment with respect thereto and its computations of all FILOT Payments made hereunder and will comply with all reporting requirements of the State and the County applicable to property subject to FILOT Payments under the Act, including the reports described in paragraph (a) (collectively, “Filings”).

(c) The County acknowledges and understands that the Company may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Company’s operations and processes (“Confidential Information”) and that any disclosure of the Confidential Information could result in substantial harm to the Company and could have a significant detrimental impact on the Company’s employees and also upon the County. Except as required by law, including, without limitation, court orders and Title 30, Chapter 4 of the Code (“SCFOIA”), the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Company, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. Except as required by SCFOIA, the County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any Person other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law (including SCFOIA), to a third party of any Confidential Information, the County shall notify the Company in a timely manner following receipt of such demand and give the Company the opportunity to contest the release.

Section 4.03 Modification of Project.

(a) The Company and any Co-Investor shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) The Company and each other Co-Investor may, at its own expense, add to the Project any real and personal property as the Company or each other Co-Investor in its discretion deems useful or desirable.

(ii) In any instance where the Company or any other Co-Investor, in its discretion, determines that any items included in the Project have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, the Company or such other Co-Investor may remove such items or portions from the Project and sell, trade in, exchange, or otherwise dispose of them (as a whole or in part) without the consent of the County; as such actions may be permitted under the FILOT Act.

(iii) The Company and any other Co-Investor may, at any time in its discretion by written notice to the County, remove any real or personal property from the Negotiated FILOT (as defined in Section 5.01) set forth in this Agreement, and thereafter such property will be considered Non-Qualifying Property.

ARTICLE V

PAYMENTS IN LIEU OF TAXES

Section 5.01. Payments in Lieu of *Ad Valorem* Taxes.

(a) In accordance with the Act, the parties hereby agree that, during the Term of the Agreement, the Company and any Co-Investors shall pay annually, with respect to the Project, a FILOT in the amount calculated as set forth in this Section, to be collected and enforced in accordance with Section 12-44-90 of the Act.

(b) The FILOT Payment due with respect to each Property Tax Year shall be calculated as follows:

(i) With respect to any portion of the Project consisting of Non-Qualifying Property, if any, as long as such property is located in the Multi-County Park, a payment equal to the *ad valorem* taxes that would otherwise be due on such Non-Qualifying Property if it were taxable giving effect to all credits, exemptions, rebates, and abatements that would be available if such undeveloped land or Non-Qualifying Property were taxable; and

(ii) With respect to those portions of the Project consisting of Economic Development Property, for each of the thirty (30) consecutive years following the year in which such portion of the Project is placed in service, a payment calculated each year as set forth in paragraph (c) of this Section 5.01 (a “Negotiated FILOT”); less the amount of the Special Source Revenue Credits provided pursuant to paragraph (d) of this Section 5.01.

(c) The Negotiated FILOT Payments shall be calculated with respect to each Property Tax Year based on: (i) the fair market value (determined in accordance with Section 12-44-50(A)(1)(c) of the Code) of the improvements to real property (with the fair market value of real property estimated for the first year to remain the fair market value for the entire Term of this Agreement) and Equipment included within the Project theretofore placed in service (less, for Equipment, depreciation allowable for property tax purposes as provided in Section 12-44-50(A)(1)(c) of the Code); (ii) a fixed millage rate equal to the Project Millage Rate, for the entire Term of this Agreement; and (iii) an assessment ratio of 6%. All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions that would have been applicable if such property were subject to *ad valorem* taxes, except the exemption allowed pursuant to Section 3(g) of Article X of the Constitution of the State of South Carolina and the exemptions allowed pursuant to Sections 12-37-220(B)(32) and (34) of the Code.

(d) With respect to Special Source Revenue Credits:

(i) Special Source Revenue Credits shall be provided (A) in the amount of ten percent (10%) of each annual FILOT Payment for years 1-10. Subject to Section 5.01(d)(ii), such Special Source Revenue Credits shall be applied automatically and reflected on each year’s property tax bill provided to the Company.

(ii) As used in Section 5.01(d)(i), “Year 1” shall mean the first year for which the first payment of a Negotiated FILOT would be due; provided, however, the Company may defer Year 1 and the start of the application of Special Source Revenue Credits by delivering notice of such election and indicating the year that the Company desires to be “Year 1” to the County no later than thirty (30) days (i.e., September 1) prior to the issuance

of the property tax bill for the year for which the first payment of the Negotiated FILOT would be due.

(e) The FILOT payments are to be recalculated:

(i) to reduce such payments in the event the Company or any Co-Investor disposes of any part of the Project within the meaning of Section 12-44-50(B) of the Code and as provided in Section 4.03 hereof, by the amount applicable to the Released Property;

(ii) to increase such payments, based on the methodology set forth in Section 5.01(c) hereof, in the event the Company or any Co-Investor adds property (other than Replacement Property) to the Project; or

(iii) to adjust such payments if the Company or any Co-Investor elects to convert any portion of the Project from the Negotiated FILOT to the FILOT required by Section 5.01(b)(1) above, as permitted by Section 4.03(a)(iii).

(f) To the extent permitted by law, because the FILOT Payments agreed to herein are intended to be paid by the Company or any Co-Investor to the County in lieu of taxes, it is agreed that said FILOT Payments shall not, as to any year, be in any amount greater than what would otherwise be payable by the Company or such Co-Investor to the County in property taxes if the Company or such Co-Investor had not entered into a fee-in-lieu of taxes arrangement with the County (except it is not intended that said FILOT Payments would necessarily be less than such property taxes to the extent that the constitutional abatement of property taxes would otherwise apply).

(g) Upon the Company's or any Co-Investor's installation of any Replacement Property for any portion of the Project removed under Section 4.03 hereof and sold, scrapped, or disposed of by the Company or such Co-Investor, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(i) Replacement Property does not have to serve the same function as the Economic Development Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the FILOT, whether real or personal, which is disposed of in the same Property Tax Year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Economic Development Property which it is replacing. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the FILOT payment for the period of time remaining on the thirty-year FILOT period for the property which it is replacing.

(ii) The new Replacement Property which qualifies for the Negotiated FILOT Payment shall be recorded using its income tax basis, and the Negotiated FILOT Payment shall be calculated using the millage rate and assessment ratio provided on the original property subject to FILOT payment.

(h) In the event that the Act or the FILOT or any portion thereof, are declared, by a court of competent jurisdiction following allowable appeals, invalid or unenforceable, in whole or in part, for any reason, the Company and the County express their intentions that such payments be

reformed so as to afford the Company the maximum benefit then permitted by law, including, without limitation, the benefits afforded under Section 12-44-50 of the Code and, specifically, that the Company may, at the Company's expense, exercise the rights granted by Section 12-44-160 of the Code. If the Project is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County agree that the Company shall pay an alternate fee-in-lieu of tax calculated in the manner to provide the Company with comparable treatment of the applicable property as would be afforded pursuant to Section 5.01(b). In such event, the Company shall be entitled, to the extent permitted by law: (i) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Section 3(g) of Article X of the Constitution of the State of South Carolina, and any other exemption allowed by law; and (ii) to enjoy all allowable depreciation. The Company agrees that if the FILOT Payments or this Agreement is reformed pursuant to this subsection (h), that under no circumstance shall the County be required to refund or pay any monies to the Company.

(i) For the Project, this Agreement is automatically terminated in the event that the investment in the Project, including but not limited to land, buildings, and personal property (including machinery and equipment), by the Company does not exceed Two Million Five Hundred Thousand Dollars (\$2,500,000.00) by the end of the Investment Period. If terminated pursuant to this subsection (i), the Negotiated FILOT Payments shall revert retroactively to payments equivalent to what the *ad valorem* taxes would have been with respect to the property absent this Agreement. At the time of termination, the Company shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the Company had the Project been taxable, taking into account exemptions from property taxes that would have been available to the Company, and the total amount of fee payments actually made by the Company. This additional amount is subject to interest as provided in Section 12-54-25 of the Code. The Company agrees, if the Negotiated FILOT Payments revert to payments equivalent to what the *ad valorem* taxes would be pursuant to this subsection (i), that under no circumstance shall the County be required to refund or pay any monies to the Company.

(j) Unless otherwise provided by the Act, any amounts due to the County under this Section 5.01 by virtue of the application of Section 5.01(i) hereof shall be paid within ninety (90) days, following written notice thereof from the County to the Company or Co-Investor, as applicable.

(k) With respect to the Investment Commitment:

(i) In the event that the Company fails to meet the Investment Commitment by the end of the Investment Period as provided herein, the Company shall be obligated to repay a prorated portion of the Special Source Revenue Credits provided under Section 5.01(d) hereto that have been previously received by the Company with respect to qualifying property, and the amount of Special Source Revenue Credits provided to the Company thereafter shall be so reduced with such prorated portion to be calculated by determining the achievement percent of the Investment Commitment as of the last day of the Investment Period.

(ii) By way of example but not limitation, if the Company has invested \$19,845,000 as of the last day of the Investment Period, the Company would have met 90% of the Investment Commitment and would be obliged to repay 10% of the Special Source Revenue Credits that have been received prior to the last day of the Investment Period, and the amount of Special Source Revenue Credits provided to the Company thereafter would be reduced by 10%.

ARTICLE VI

PAYMENTS BY COMPANY

Section 6.01. Defaulted Payments. In the event the Company should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of the Company until the amount in default shall have been fully paid. The Company agrees that the collection and enforcement of the defaulted payment shall be as provided in Section 12-44-90 of the Code.

ARTICLE VII

CASUALTY AND CONDEMNATION

Section 7.01. Adjustments in the Event of Damage and Destruction or Condemnation. In the event that the Project or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, the Company, in its sole discretion, may determine whether or not to repair or replace the same. The parties hereto agree that if the Company decides not to repair or replace all or any portion of the Project pursuant to this Section, the FILOT required pursuant to Section 5.01 hereof shall be abated in the same manner and in the same proportion as if *ad valorem* taxes were payable with respect to the Project.

ARTICLE VIII

PARTICULAR COVENANTS AND AGREEMENTS

Section 8.01. Use of Project for Lawful Activities. During the Term of this Agreement, the Company shall use the Project for any lawful purpose that is authorized pursuant to the Act.

Section 8.02. Assignment. The County agrees that, to the maximum extent allowable under the Act (or any amendments thereto), the Company and each other Co-Investor may assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights or obligations under this Agreement, and any lease agreement, lease purchase agreement, or fee agreement, as the case may be, or any other agreement related hereto or thereto, or transfer any and all assets of the Company or such Co-Investor, to one or more Related Entities (as defined in Section 9.01 below) without adversely affecting the benefits of the Company or its assignees pursuant to any such agreement or the Act. The Company or such Co-Investor shall provide the County and the Department of Revenue with notice of any such assignment, transfer, or investment in accordance with the Act, and the County agrees, upon the request of the Company or such Co-Investor, to take all further action necessary to implement such assignment, transfer, or investment in accordance with the provisions of the Act. To the extent that the Act may require the consent, approval or ratification of or by the County for the assignment of this Agreement, in whole or in part, the County agrees to not unreasonably withhold, condition or delay its consent, approval or ratification and that such consent, approval or ratification may be evidenced by a Resolution of County Council.

Section 8.03. Indemnification.

(a) Except as provided in paragraph (d) below, the Company shall indemnify and save the County, its employees, elected officials, officers and agents (each, an "Indemnified Party") harmless against and from all liability or claims arising from the County's execution of this Agreement, performance of the County's obligations under and in accordance with this Agreement

or the administration of its duties pursuant to this Agreement, or otherwise by virtue of the County having entered into this Agreement.

(b) The County is entitled to use counsel of its choice and the Company shall reimburse the County for all of its reasonable costs, including attorneys' fees, incurred in connection with the response to or defense against such liability or claims as described in paragraph (a), above. The County shall provide a statement of the costs incurred in the response or defense, and the Company shall pay the County within thirty (30) days of receipt of the statement. The Company may request reasonable documentation evidencing the costs shown on the statement. However, the County is not required to provide any documentation that may be privileged or confidential to evidence the costs. The County shall use reasonable efforts to keep the Company informed of all negotiations and potential settlements. The County shall not settle any claim under this Section (to the extent the County is otherwise in control of the negotiations and potential settlement) without the Company's consent, which shall not be unreasonably withheld.

(c) The County may request the Company to resist or defend against any claim on behalf of an Indemnified Party. On such request, the Company shall resist or defend against such claim on behalf of the Indemnified Party, at the Company's expense. The Company is entitled to use counsel of its choice, manage and control the defense of or response to such claim for the Indemnified Party; provided the Company is not entitled to settle any such claim without the consent of that Indemnified Party, which shall not be unreasonably withheld.

(d) Notwithstanding anything herein to the contrary, the Company is not required to indemnify any Indemnified Party against or reimburse any Indemnified Party for costs arising from any claim or liability (i) occasioned by the acts of that Indemnified Party, which are unrelated to the execution of this Agreement, performance of the County's obligations under and in accordance with this Agreement, or the administration of its duties under this Agreement, or otherwise by virtue of the County having entered into this Agreement; or (ii) resulting from that Indemnified Party's own violation of law, breach of this Agreement, misrepresentation, negligence, recklessness, bad faith, fraud, deceit, or willful misconduct.

(e) An Indemnified Party may not avail itself of the indemnification or reimbursement of costs provided in this Section unless it provides the Company with prompt notice, reasonable under the circumstances, of the existence or threat of any claim or liability, including, without limitation, copies of any citations, orders, fines, charges, remediation requests, or other claims or threats of claims, in order to afford the Company notice, reasonable under the circumstances, within which to defend or otherwise respond to a claim.

Section 8.04. Sponsors and Sponsor Affiliates. The Company may designate, from time to time, other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Company and other Co-Investors and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of the Company or other Sponsors or Sponsor Affiliates, any tenant leasing all or a portion of the Project from the Company or any other existing Sponsor or Sponsor Affiliate, or other Persons described in Section 8.02 hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the FILOT Act must be approved by the County in writing. To the extent that the aggregate investment in the Project by the end of the Investment Period by all Sponsors and Sponsor Affiliates exceeds Five Million Dollars (\$5,000,000.00) and to the extent permitted by Section 12-44-30(19) of the FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the FILOT pursuant to Section 5.01 of this Agreement (subject to the other conditions set forth therein)

regardless of whether each such entity invested amounts equal to the Investment Commitment by the end of the Investment Period. Sponsor or Sponsor Affiliate shall provide the County and the Department of Revenue with written notice of any other Sponsor or Sponsor Affiliate designated pursuant to this Section 8.04 within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the FILOT Act. The parties agree that, if any Sponsor or Sponsor Affiliate ceases to become party to this Agreement, the Agreement shall continue to remain in effect with respect to any remaining Sponsors or Sponsor Affiliates.

ARTICLE IX

FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS

Section 9.01. Conveyance of Liens and Interests; Assignment. The Company and any Co-Investor may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to the Project to any Person; or (b) enter into any lending, financing, security, or similar arrangement or succession of such arrangements with any financing entity with respect to the Agreement or the Project, including without limitation any sale, leaseback, or other financing lease arrangement; provided that, in connection with any of the foregoing transfers: (i) except in connection with any transfer to any Affiliate of the Company or such Co-Investor (collectively, the “Related Entities”), or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company or such Co-Investor shall first obtain the prior written consent or subsequent ratification of the County (such consent or ratification, to the extent allowable by law, evidenced by a Resolution of County Council); (ii) except where a financing entity, which is the income tax owner of all or part of the Project, is the transferee pursuant to clause (b) above and such transferee or financing entity assumes in writing the obligations of the Company or such Co-Investor hereunder, or where the County consents in writing (such consent not to be unreasonably withheld, conditioned or delayed and, to the extent allowable by law, evidenced by a Resolution of County Council), no such transfer shall affect or reduce any of the obligations of the Company or such Co-Investor hereunder, but all obligations of the Company hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety; (iii) the Company or the applicable Co-Investor, transferee, or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (iv) the Company or the applicable Co-Investor and the transferee shall comply with all other requirements of the Transfer Provisions.

The Company acknowledges that such a transfer of an interest under this Agreement or in the Project may cause the Project to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company with the Transfer Provisions.

Section 9.02. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge the application of the provisions of Section 12-44-90 of the Act, and that the County’s right to receive FILOT Payments hereunder shall be the same as its rights conferred under Title 12, Chapter 49 and 54, among others, of the Code relating to the collection and enforcement of *ad valorem* property taxes. The County’s rights under this Agreement, except for its rights to receive FILOT revenues, shall be subordinate to the rights of any secured party or parties under any financing arrangements undertaken by the Company with respect to the Project pursuant to Section 9.01 hereof, such subordination to be effective without any additional action on the part of the County; provided, however, that the County hereby agrees, at the Company’s expense, to execute such agreements, documents, and instruments as may be reasonably required by such secured party or parties to effectuate or document such subordination.

ARTICLE X

TERM; TERMINATION

Section 10.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company executes this Agreement, and ending at midnight on the last day of the Property Tax Year in which the last Negotiated FILOT Payment is due hereunder. This Agreement has a term of thirty (30) years, as calculated pursuant to the respective dates when the relevant portions of the Project are placed in service, and as discussed in greater detail in this Agreement. The County's rights to receive indemnification and payment of Administration Expenses pursuant hereto shall survive the expiration or termination of this Agreement.

Section 10.02. Termination.

- (a) The County and the Company may agree to terminate this Agreement at any time.
- (b) The Company may, at its option, terminate this Agreement at any time upon providing the County thirty (30) days' prior written notice of such termination, in which event the Project shall be subject to *ad valorem* taxes from the date of termination.
- (c) In the event that this Agreement is terminated by the operation of this Section 10.02 at any time during the Investment Period prior to the Company's meeting the Investment Commitment, amounts due to the County as a result thereof shall be calculated as provided in Section 5.01(i) hereof. The County's rights to receive payment for such *ad valorem* taxes and its rights to enforce the terms of this Agreement shall survive termination of this Agreement.

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default by Company.

- (a) Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default by the Company (but solely with respect to the defaulting Company):
 - (1) if default shall be made in the due and punctual payment of any FILOT Payments, indemnification payments, or Administration Expenses, which default shall not have been cured within thirty (30) days following receipt of written notice thereof from the County;
 - (2) if default shall be made by the Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (1), and such default shall continue for ninety (90) days after the County shall have given the Company written notice of such default, provided, the Company shall have such longer period of time as necessary to cure such default if the Company proceeds promptly to cure such default and thereafter to prosecute the curing of such default with due diligence; and provided further, that no Event of Default shall exist under this paragraph (2) during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Company has contested the occurrence of such default.

(b) The failure of the Company or any other Co-Investor to meet the Investment Commitment as set forth herein shall not be deemed to be an Event of Default under this Agreement, and the County's sole recourse for such failure to meet the Investment Requirement shall be as set forth in Section 5.01(k) hereof.

Section 11.02. Remedies on Event of Default by Company. Upon the occurrence and continuance of any Event of Default by the Company (and the expiration of any applicable cure periods), the County may exercise any of the following remedies, any of which may be exercised at any time during the periods permitted under the following clauses:

(a) terminate this Agreement by delivery of written notice to the Company not less than thirty (30) days prior to the termination date specified therein; or

(b) take whatever action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition, or agreement of the Company under this Agreement.

Section 11.03. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Company may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation, a suit for mandamus or specific performance.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Company or any other Co-Investor provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced; and the exercise by the County or by the Company or any other Co-Investor of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company or any other Co-Investor of any or all such other rights, powers or remedies.

Section 12.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns as permitted hereunder.

Section 12.03. Administration Expenses.

(a) The Company agrees to reimburse the County from time to time for its Administration Expenses promptly upon written request therefor, but in no event later than thirty (30) days after receiving the written request from the County (which request shall include a general description of the nature of such Administration Expenses). Notwithstanding anything herein to the contrary, the Administration Expenses reimbursable to the County pursuant to this Section 12.03 shall not exceed Five Thousand Dollars (\$5,000.00).

(b) The Company agrees to reimburse the County from time to time for reasonable out-of-pocket expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual FILOT payments as well as

out-of-pocket reporting and compliance costs incurred by the County as a result of entering into this Agreement, in an amount not to exceed Seven Hundred Fifty Dollars (\$750.00) per year. Such reimbursement shall be made promptly upon written request therefor, but in no event later than thirty (30) days after receiving the written request from the County (which request shall include a general description of the nature of such expenses).

Section 12.04. Rules of Construction. The County and the Company acknowledge and agree that each has been represented by legal counsel of its choice throughout the negotiation and drafting of this Agreement, that each has participated in the drafting hereof and that this Agreement will not be construed in favor of or against either party solely on the basis of such party's drafting or participation in the drafting of any portion of this Agreement.

Section 12.05. Notices; Demands; Requests. All notices, demands and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid or via facsimile or other commonly-used electronic transmission or reputable courier service, addressed as follows or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

Chester County, South Carolina
Attn: County Supervisor/Chair, County Council
1476 J.A. Cochran Bypass
P.O. Box 580
Chester, SC 29706
Telephone: 803-385-5133

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

Chester County Attorney
Attn: Nicole Workman
1476 J.A. Cochran Bypass
Chester, SC 29076
Telephone: (843) 754-6079

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

King Kozlarek Root Law LLC
Attention: Michael Kozlarek
201 Riverplace, Suite 500
Greenville, SC 29601
Telephone: (864) 527-5941

(b) As to each Company:

Chester Asphalt Terminal LLC
Attention: _____

Telephone: _____

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

DLA Piper LLP US
Attn: Stephanie Yarbrough
1251 Avenue of the Americas
New York, New York 10020

Phone: (212) 335-4635

Section 12.06. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

Section 12.07. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other with respect to the matters set forth herein involving the Project, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 12.08. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 12.09. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 12.10. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

Section 12.11. Amendments. Subject to the limitations set forth in the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by all parties. The County agrees that, to the extent allowed by law, such amendment may be approved by a Resolution of County Council.

Section 12.12. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 12.13. Force Majeure. The Company and any Co-Investors shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, labor shortages, fire, floods, inability to obtain materials, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Company's reasonable control.

*[TWO SIGNATURE PAGES AND ONE EXHIBIT FOLLOW]
[REMAINDER OF PAGE SUBSTANTIVELY BLANK]*

IN WITNESS THEREOF, the County, acting by and through the County Council, has caused this Agreement to be executed in its name and behalf by the Council Chair and to be attested by the Clerk to Council; and each Company has caused this Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

CHESTER COUNTY, SOUTH CAROLINA

[SEAL]

By: _____
Name: Pete Wilson
Title: Chair of County Council

Attest:

Name: Kristie Donaldson
Title: Clerk to County Council

[signatures continue on next page]

CHESTER ASPHALT TERMINAL LLC

By: _____

Name: _____

Title: _____

EXHIBIT A

Description of Land

[TBP]²

² **Note to ECF:** Please provide a description.

Accommodations Tax Advisory Committee (ATAX) Recommendations FY 2025-2026

APPLICANT	TOTAL PROJECT BUDGET	AMOUNT REQUESTED	AMOUNT RECOMMENDED	% TOURIST LAST YEAR
Chester Arts Council - Jingle Bell Bazaar	\$21,000.00	\$14,000.00	\$8,000.00	50.27%
Chester Arts Council - Operating Support	\$91,500.00	\$40,000.00	\$23,000.00	44.21%
Chester Downtown Development Association - Hog on the Hill	\$10,000.00	\$4,500.00	\$2,600.00	26.67%
Chester Downtown Development Association - HILLARITY	\$18,000.00	\$8,000.00	\$5,400.00	30.00%
Chester Co. Historical Society - Full Time Operation of Museum & Archives	\$180,000.00	\$36,000.00	\$24,000.00	61.56%
Chester Co. Historical Society - Full Time Operation of Chester County Transportation Museum	\$90,000.00	\$25,000.00	\$12,000.00	94.96%
Flopeye Fish Festival - Annual Festival	\$30,000.00	\$15,000.00	\$8,800.00	29.61%
Fort Lawn Community Center - Arts & Cultural General Operating	\$60,000.00	\$10,000.00	\$10,000.00	0.00%
Fort Lawn Community Center - Festivals	\$29,000.00	\$7,000.00	\$7,000.00	52.51%
Lando-Manetta Mills History Center - Museum Operations	\$7,000.00	\$5,000.00	\$5,000.00	11.05%
Woods Ferry Horse Trails Association - Corral Replacement Project	\$19,127.68	\$13,847.68	\$5,700.00	0.00%
TOTAL	\$555,627.68	\$178,347.68	\$111,500.00	

no final report to date

no final report to date - % from last year

Enterprise Enrollment

State and Local

Enterprise Enrollment number
(Microsoft to complete)

Previous Enrollment number
(Reseller to complete)

Framework ID
(if applicable)

This Enrollment must be attached to a signature form to be valid.

This Microsoft Enterprise Enrollment is entered into between the entities as identified in the signature form as of the effective date. Enrolled Affiliate represents and warrants it is the same Customer, or an Affiliate of the Customer, that entered into the Enterprise Agreement identified on the program signature form.

This Enrollment consists of: (1) these terms and conditions, (2) the terms of the Enterprise Agreement identified on the signature form, (3) the Product Selection Form, (4) the Product Terms, (5) the Online Services Terms, (6) any Supplemental Contact Information Form, Previous Agreement/Enrollment form, and other forms that may be required, and (7) any order submitted under this Enrollment. This Enrollment may only be entered into under a 2011 or later Enterprise Agreement. By entering into this Enrollment, Enrolled Affiliate agrees to be bound by the terms and conditions of the Enterprise Agreement.

All terms used but not defined are located at <http://www.microsoft.com/licensing/contracts>. In the event of any conflict the terms of this Agreement control.

Effective date. If Enrolled Affiliate is renewing Software Assurance or Subscription Licenses from one or more previous Enrollments or agreements, then the effective date will be the day after the first prior Enrollment or agreement expires or terminates. If this Enrollment is renewed, the effective date of the renewal term will be the day after the Expiration Date of the initial term. Otherwise, the effective date will be the date this Enrollment is accepted by Microsoft. Any reference to “anniversary date” refers to the anniversary of the effective date of the applicable initial or renewal term for each year this Enrollment is in effect.

Term. The initial term of this Enrollment will expire on the last day of the month, 36 full calendar months from the effective date of the initial term. The renewal term will expire 36 full calendar months after the effective date of the renewal term.

Terms and Conditions

1. Definitions.

Terms used but not defined in this Enrollment will have the definition in the Enterprise Agreement. The following definitions are used in this Enrollment:

“Additional Product” means any Product identified as such in the Product Terms and chosen by Enrolled Affiliate under this Enrollment.

“Community” means the community consisting of one or more of the following: (1) a Government, (2) an Enrolled Affiliate using eligible Government Community Cloud Services to provide solutions to a Government or a qualified member of the Community, or (3) a Customer with Customer Data that is subject to Government regulations for which Customer determines and Microsoft agrees that the use of Government Community Cloud Services is appropriate to meet Customer’s regulatory requirements.

Membership in the Community is ultimately at Microsoft's discretion, which may vary by Government Community Cloud Service.

"Enterprise Online Service" means any Online Service designated as an Enterprise Online Service in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Online Services are treated as Online Services, except as noted.

"Enterprise Product" means any Desktop Platform Product that Microsoft designates as an Enterprise Product in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Products must be licensed for all Qualified Devices and Qualified Users on an Enterprise-wide basis under this program.

"Expiration Date" means the date upon which the Enrollment expires.

"Federal Agency" means a bureau, office, agency, department or other entity of the United States Government.

"Government" means a Federal Agency, State/Local Entity, or Tribal Entity acting in its governmental capacity.

"Government Community Cloud Services" means Microsoft Online Services that are provisioned in Microsoft's multi-tenant data centers for exclusive use by or for the Community and offered in accordance with the National Institute of Standards and Technology (NIST) Special Publication 800-145. Microsoft Online Services that are Government Community Cloud Services are designated as such in the Use Rights and Product Terms.

"Industry Device" (also known as line of business device) means any device that: (1) is not useable in its deployed configuration as a general purpose personal computing device (such as a personal computer), a multi-function server, or a commercially viable substitute for one of these systems; and (2) only employs an industry or task-specific software program (e.g. a computer-aided design program used by an architect or a point of sale program) ("Industry Program"). The device may include features and functions derived from Microsoft software or third-party software. If the device performs desktop functions (such as email, word processing, spreadsheets, database, network or Internet browsing, or scheduling, or personal finance), then the desktop functions: (1) may only be used for the purpose of supporting the Industry Program functionality; and (2) must be technically integrated with the Industry Program or employ technically enforced policies or architecture to operate only when used with the Industry Program functionality.

"Managed Device" means any device on which any Affiliate in the Enterprise directly or indirectly controls one or more operating system environments. Examples of Managed Devices can be found in the Product Terms.

"Qualified Device" means any device that is used by or for the benefit of Enrolled Affiliate's Enterprise and is: (1) a personal desktop computer, portable computer, workstation, or similar device capable of running Windows Pro locally (in a physical or virtual operating system environment), or (2) a device used to access a virtual desktop infrastructure ("VDI"). Qualified Devices do not include any device that is: (1) designated as a server and not used as a personal computer, (2) an Industry Device, or (3) not a Managed Device. At its option, the Enrolled Affiliate may designate any device excluded above (e.g., Industry Device) that is used by or for the benefit of the Enrolled Affiliate's Enterprise as a Qualified Device for all or a subset of Enterprise Products or Online Services the Enrolled Affiliate has selected.

"Qualified User" means a person (e.g., employee, consultant, contingent staff) who: (1) is a user of a Qualified Device, or (2) accesses any server software requiring an Enterprise Product Client Access License or any Enterprise Online Service. It does not include a person who accesses server software or an Online Service solely under a License identified in the Qualified User exemptions in the Product Terms.

"Reseller" means an entity authorized by Microsoft to resell Licenses under this program and engaged by an Enrolled Affiliate to provide pre- and post-transaction assistance related to this agreement;

"Reserved License" means for an Online Service identified as eligible for true-ups in the Product Terms, the License reserved by Enrolled Affiliate prior to use and for which Microsoft will make the Online Service available for activation.

"State/Local Entity" means (1) any agency of a state or local government in the United States, or (2) any United States county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state's jurisdiction and geographic boundaries.

"Tribal Entity" means a federally-recognized tribal entity performing tribal governmental functions and eligible for funding and services from the U.S. Department of Interior by virtue of its status as an Indian tribe.

"Use Rights" means, with respect to any licensing program, the use rights or terms of service for each Product and version published for that licensing program at the Volume Licensing Site. The Use Rights supersede the terms of any end user license agreement (on-screen or otherwise) that accompanies a Product. The Use Rights for Software are published by Microsoft in the Product Terms. The Use Rights for Online Services are published in the Online Services Terms.

"Volume Licensing Site" means <http://www.microsoft.com/licensing/contracts> or a successor site.

2. Order requirements.

- a. **Minimum order requirements.** Enrolled Affiliate's Enterprise must have a minimum of 250 Qualified Users or Qualified Devices. The initial order must include at least 250 Licenses for Enterprise Products or Enterprise Online Services.
 - (i) **Enterprise commitment.** Enrolled Affiliate must order enough Licenses to cover all Qualified Users or Qualified Devices, depending on the License Type, with one or more Enterprise Products or a mix of Enterprise Products and the corresponding Enterprise Online Services (as long as all Qualified Devices not covered by a License are only used by users covered with a user License).
 - (ii) **Enterprise Online Services only.** If no Enterprise Product is ordered, then Enrolled Affiliate need only maintain at least 250 Subscription Licenses for Enterprise Online Services.
- b. **Additional Products.** Upon satisfying the minimum order requirements above, Enrolled Affiliate may order Additional Products.
- c. **Use Rights for Enterprise Products.** For Enterprise Products, if a new Product version has more restrictive use rights than the version that is current at the start of the applicable initial or renewal term of the Enrollment, those more restrictive use rights will not apply to Enrolled Affiliate's use of that Product during that term.
- d. **Country of usage.** Enrolled Affiliate must specify the countries where Licenses will be used on its initial order and on any additional orders.
- e. **Resellers.** Enrolled Affiliate must choose and maintain a Reseller authorized in the United States. Enrolled Affiliate will acquire its Licenses through its chosen Reseller. Orders must be submitted to the Reseller who will transmit the order to Microsoft. The Reseller and Enrolled Affiliate determine pricing and payment terms as between them, and Microsoft will invoice the Reseller based on those terms. Throughout this Agreement the term "price" refers to reference price. Resellers and other third parties do not have authority to bind or impose any obligation or liability on Microsoft.
- f. **Adding Products.**
 - (i) **Adding new Products not previously ordered.** New Enterprise Products or Enterprise Online Services may be added at any time by contacting a Microsoft Account Manager or Reseller. New Additional Products, other than Online Services, may be used if an order is placed in the month the Product is first used. For Additional Products that are Online Services, an initial order for the Online Service is required prior to use.

- (ii) **Adding Licenses for previously ordered Products.** Additional Licenses for previously ordered Products other than Online Services may be added at any time but must be included in the next true-up order. Additional Licenses for Online Services must be ordered prior to use, unless the Online Services are (1) identified as eligible for true-up in the Product Terms or (2) included as part of other Licenses.
- g. **True-up requirements.** Enrolled Affiliate must submit an annual true-up order that accounts for any changes since the initial order or last order. If there are no changes, then an update statement must be submitted instead of a true-up order.
- (i) **Enterprise Products.** For Enterprise Products, Enrolled Affiliate must determine the number of Qualified Devices and Qualified Users (if ordering user-based Licenses) at the time the true-up order is placed and must order additional Licenses for all Qualified Devices and Qualified Users that are not already covered by existing Licenses, including any Enterprise Online Services.
- (ii) **Additional Products.** For Additional Products that have been previously ordered under this Enrollment, Enrolled Affiliate must determine the maximum number of Additional Products used since the latter of the initial order, the last true-up order, or the prior anniversary date and submit a true-up order that accounts for any increase.
- (iii) **Online Services.** For Online Services identified as eligible for true-up in the Product Terms, Enrolled Affiliate may place a reservation order for the additional Licenses prior to use and payment may be deferred until the next true-up order. Microsoft will provide a report of Reserved Licenses ordered but not yet invoiced to Enrolled Affiliate and its Reseller. Reserved Licenses will be invoiced retroactively to the month in which they were ordered.
- (iv) **Subscription License reductions.** Enrolled Affiliate may reduce the quantity of Subscription Licenses at the Enrollment anniversary date on a prospective basis if permitted in the Product Terms, as follows:
- 1) For Subscription Licenses that are part of an Enterprise-wide purchase, Licenses may be reduced if the total quantity of Licenses and Software Assurance for an applicable group meets or exceeds the quantity of Qualified Devices and Qualified Users (if ordering user-based Licenses) identified on the Product Selection Form, and includes any additional Qualified Devices and Qualified Users added in any prior true-up orders. Step-up Licenses do not count towards this total count.
 - 2) For Enterprise Online Services that are not a part of an Enterprise-wide purchase, Licenses can be reduced as long as the initial order minimum requirements are maintained.
 - 3) For Additional Products available as Subscription Licenses, Enrolled Affiliate may reduce the Licenses. If the License count is reduced to zero, then Enrolled Affiliate's use of the applicable Subscription License will be cancelled.
- Invoices will be adjusted to reflect any reductions in Subscription Licenses at the true-up order Enrollment anniversary date and effective as of such date.
- (v) **Update statement.** An update statement must be submitted instead of a true-up order if, since the initial order or last true-up order, Enrolled Affiliate's Enterprise: (1) has not changed the number of Qualified Devices and Qualified Users licensed with Enterprise Products or Enterprise Online Services; and (2) has not increased its usage of Additional Products. This update statement must be signed by Enrolled Affiliate's authorized representative.
- (vi) **True-up order period.** The true-up order or update statement must be received by Microsoft between 60 and 30 days prior to each Enrollment anniversary date. The third-year true-up order or update statement is due within 30 days prior to the Expiration Date, and any license reservations within this 30 day period will not be accepted. Enrolled Affiliate

may submit true-up orders more often to account for increases in Product usage, but an annual true-up order or update statement must still be submitted during the annual order period.

(vii) **Late true-up order.** If the true-up order or update statement is not received when due, Microsoft will invoice Reseller for all Reserved Licenses not previously invoiced and Subscription License reductions cannot be reported until the following Enrollment anniversary date (or at Enrollment renewal, as applicable).

h. Step-up Licenses. For Licenses eligible for a step-up under this Enrollment, Enrolled Affiliate may step-up to a higher edition or suite as follows:

(i) For step-up Licenses included on an initial order, Enrolled Affiliate may order according to the true-up process.

(ii) If step-up Licenses are not included on an initial order, Enrolled Affiliate may step-up initially by following the process described in the Section titled "Adding new Products not previously ordered," then for additional step-up Licenses, by following the true-up order process.

i. Clerical errors. Microsoft may correct clerical errors in this Enrollment, and any documents submitted with or under this Enrollment, by providing notice by email and a reasonable opportunity for Enrolled Affiliate to object to the correction. Clerical errors include minor mistakes, unintentional additions and omissions. This provision does not apply to material terms, such as the identity, quantity or price of a Product ordered.

j. Verifying compliance. Microsoft may, in its discretion and at its expense, verify compliance with this Enrollment as set forth in the Enterprise Agreement.

3. Pricing.

a. Price Levels. For both the initial and any renewal term Enrolled Affiliate's Price Level for all Products ordered under this Enrollment will be Level "D" throughout the term of the Enrollment.

b. Setting Prices. Enrolled Affiliate's prices for each Product or Service will be established by its Reseller. Except for Online Services designated in the Product Terms as being exempt from fixed pricing, As long as Enrolled Affiliate continues to qualify for the same price level, Microsoft's prices for Resellers for each Product or Service ordered will be fixed throughout the applicable initial or renewal Enrollment term. Microsoft's prices to Resellers are reestablished at the beginning of the renewal term.

4. Payment terms.

For the initial or renewal order, Enrolled Affiliate may pay upfront or elect to spread its payments over the applicable Enrollment term. If an upfront payment is elected, Microsoft will invoice Enrolled Affiliate's Reseller in full upon acceptance of this Enrollment. If spread payments are elected, unless indicated otherwise, Microsoft will invoice Enrolled Affiliate's Reseller in three equal annual installments. The first installment will be invoiced upon Microsoft's acceptance of this Enrollment and remaining installments will be invoiced on each subsequent Enrollment anniversary date. Subsequent orders are invoiced upon acceptance of the order and Enrolled Affiliate may elect to pay annually or upfront for Online Services and upfront for all other Licenses.

5. End of Enrollment term and termination.

a. General. At the Expiration Date, Enrolled Affiliate must immediately order and pay for Licenses for Products it has used but has not previously submitted an order, except as otherwise provided in this Enrollment.

- b. Renewal option.** At the Expiration Date of the initial term, Enrolled Affiliate can renew Products by renewing this Enrollment for one additional 36-month term or by signing a new Enrollment. Microsoft must receive a Renewal Form, Product Selection Form, and renewal order prior to or at the Expiration Date. Microsoft will not unreasonably reject any renewal. Microsoft may make changes to this program that will make it necessary for Customer and its Enrolled Affiliates to enter into new agreements and Enrollments at renewal.
- c. If Enrolled Affiliate elects not to renew.**
- (i) Software Assurance.** If Enrolled Affiliate elects not to renew Software Assurance for any Product under its Enrollment, then Enrolled Affiliate will not be permitted to order Software Assurance later without first acquiring a new License with Software Assurance.
 - (ii) Online Services eligible for an Extended Term.** For Online Services identified as eligible for an Extended Term in the Product Terms, the following options are available at the end of the Enrollment initial or renewal term.
 - 1) Extended Term.** Licenses for Online Services will automatically expire in accordance with the terms of the Enrollment. An extended term feature that allows Online Services to continue month-to-month ("Extended Term") for up to one year, unless designated in the Product Terms to continue until cancelled, is available. During the Extended Term, Online Services will be invoiced monthly at the then-current published price as of the Expiration Date plus a 3% administrative fee. If Enrolled Affiliate wants an Extended Term, Enrolled Affiliate must submit a request to Microsoft at least 30 days prior to the Expiration Date.
 - 2) Cancellation during Extended Term.** At any time during the first year of the Extended Term, Enrolled Affiliate may terminate the Extended Term by submitting a notice of cancellation to Microsoft for each Online Service. Thereafter, either party may terminate the Extended Term by providing the other with a notice of cancellation for each Online Service. Cancellation will be effective at the end of the month following 30 days after Microsoft has received or issued the notice.
 - (iii) Subscription Licenses and Online Services not eligible for an Extended Term.** If Enrolled Affiliate elects not to renew, the Licenses will be cancelled and will terminate as of the Expiration Date. Any associated media must be uninstalled and destroyed and Enrolled Affiliate's Enterprise must discontinue use. Microsoft may request written certification to verify compliance.
- d. Termination for cause.** Any termination for cause of this Enrollment will be subject to the "Termination for cause" section of the Agreement. In addition, it shall be a breach of this Enrollment if Enrolled Affiliate or any Affiliate in the Enterprise that uses Government Community Cloud Services fails to meet and maintain the conditions of membership in the definition of Community.
- e. Early termination.** Any early termination of this Enrollment will be subject to the "Early Termination" Section of the Enterprise Agreement.
- For Subscription Licenses, in the event of a breach by Microsoft, or if Microsoft terminates an Online Service for regulatory reasons, Microsoft will issue Reseller a credit for any amount paid in advance for the period after termination.

6. Government Community Cloud.

- a. Community requirements.** If Enrolled Affiliate purchases Government Community Cloud Services, Enrolled Affiliate certifies that it is a member of the Community and agrees to use Government Community Cloud Services solely in its capacity as a member of the Community and, for eligible Government Community Cloud Services, for the benefit of end users that are members of the Community. Use of Government Community Cloud Services by an entity that is not a member of the Community or to provide services to non-Community members is strictly

prohibited and could result in termination of Enrolled Affiliate's license(s) for Government Community Cloud Services without notice. Enrolled Affiliate acknowledges that only Community members may use Government Community Cloud Services.

- b. All terms and conditions applicable to non-Government Community Cloud Services also apply to their corresponding Government Community Cloud Services, except as otherwise noted in the Use Rights, Product Terms, and this Enrollment.
- c. Enrolled Affiliate may not deploy or use Government Community Cloud Services and corresponding non-Government Community Cloud Services in the same domain.
- d. **Use Rights for Government Community Cloud Services.** For Government Community Cloud Services, notwithstanding anything to the contrary in the Use Rights:
 - (i) Government Community Cloud Services will be offered only within the United States.
 - (ii) Additional European Terms, as set forth in the Use Rights, will not apply.
 - (iii) References to geographic areas in the Use Rights with respect to the location of Customer Data at rest, as set forth in the Use Rights, refer only to the United States.



Enrollment Details

1. Enrolled Affiliate's Enterprise.

- a. Identify which Agency Affiliates are included in the Enterprise. (Required) Enrolled Affiliate's Enterprise must consist of entire offices, bureaus, agencies, departments or other entities of Enrolled Affiliate, not partial offices, bureaus, agencies, or departments, or other partial entities. Check only one box in this section. If no boxes are checked, Microsoft will deem the Enterprise to include the Enrolled Affiliate only. If more than one box is checked, Microsoft will deem the Enterprise to include the largest number of Affiliates:

☐ Enrolled Affiliate only

☐ Enrolled Affiliate and all Affiliates

☐ Enrolled Affiliate and the following Affiliate(s) (Only identify specific affiliates to be included if fewer than all Affiliates are to be included in the Enterprise):

☐ Enrolled Affiliate and all Affiliates, with following Affiliate(s) excluded:

- b. Please indicate whether the Enrolled Affiliate's Enterprise will include all new Affiliates acquired after the start of this Enrollment: <Choose One>

2. Contact information.

Each party will notify the other in writing if any of the information in the following contact information page(s) changes. The asterisks (*) indicate required fields. By providing contact information, Enrolled Affiliate consents to its use for purposes of administering this Enrollment by Microsoft, its Affiliates, and other parties that help administer this Enrollment. The personal information provided in connection with this Enrollment will be used and protected in accordance with the privacy statement available at <https://www.microsoft.com/licensing/servicecenter>.

- a. **Primary contact.** This contact is the primary contact for the Enrollment from within Enrolled Affiliate's Enterprise. This contact is also an Online Administrator for the Volume Licensing Service Center and may grant online access to others. The primary contact will be the default contact for all purposes unless separate contacts are identified for specific purposes

Name of entity (must be legal entity name)*

Contact name* First Last

Contact email address*

Street address*

City*

State/Province*

Postal code* -

(For U.S. addresses, please provide the zip + 4, e.g. xxxxx-xxxx)

Country*

Phone*

Tax ID

** indicates required fields*

- b. Notices contact and Online Administrator.** This contact (1) receives the contractual notices, (2) is the Online Administrator for the Volume Licensing Service Center and may grant online access to others, and (3) is authorized to order Reserved Licenses for eligible Online Services, including adding or reassigning Licenses and stepping-up prior to a true-up order.

☐ Same as primary contact (default if no information is provided below, even if the box is not checked).

Contact name* First Last

Contact email address*

Street address*

City*

State/Province*

Postal code* -

(For U.S. addresses, please provide the zip + 4, e.g. xxxxx-xxxx)

Country*

Phone*

Language preference. Choose the language for notices. English

☐ This contact is a third party (not the Enrolled Affiliate). Warning: This contact receives personally identifiable information of the Customer and its Affiliates.

** indicates required fields*

- c. Online Services Manager.** This contact is authorized to manage the Online Services ordered under the Enrollment and (for applicable Online Services) to add or reassign Licenses and step-up prior to a true-up order.

☐ Same as notices contact and Online Administrator (default if no information is provided below, even if box is not checked)

Contact name*: First Last

Contact email address*

Phone*

☐ This contact is from a third party organization (not the entity). Warning: This contact receives personally identifiable information of the entity.

** indicates required fields*

- d. Reseller information.** Reseller contact for this Enrollment is:

Reseller company name*

Street address (PO boxes will not be accepted)*

City*

State/Province*

Postal code*

Country*

Contact name*

Phone*

Contact email address*

** indicates required fields*

By signing below, the Reseller identified above confirms that all information provided in this Enrollment is correct.

Signature* _____
Printed name*
Printed title*
Date*

** indicates required fields*

Changing a Reseller. If Microsoft or the Reseller chooses to discontinue doing business with each other, Enrolled Affiliate must choose a replacement Reseller. If Enrolled Affiliate or the Reseller intends to terminate their relationship, the initiating party must notify Microsoft and the other party using a form provided by Microsoft at least 90 days prior to the date on which the change is to take effect.

- e. If Enrolled Affiliate requires a separate contact for any of the following, attach the Supplemental Contact Information form. *Otherwise, the notices contact and Online Administrator remains the default.*
- (i) Additional notices contact
 - (ii) Software Assurance manager
 - (iii) Subscriptions manager
 - (iv) Customer Support Manager (CSM) contact

3. Financing elections.

Is a purchase under this Enrollment being financed through MS Financing? ☐ Yes, ☒ No.

If a purchase under this Enrollment is financed through MS Financing, and Enrolled Affiliate chooses not to finance any associated taxes, it must pay these taxes directly to Microsoft.

Enterprise Agreement

State and Local

Not for Use with Microsoft Business Agreement or Microsoft Business and Services Agreement

This Microsoft Enterprise Agreement ("Agreement") is entered into between the entities identified on the signature form.

Effective date. The effective date of this Agreement is the earliest effective date of any Enrollment entered into under this Agreement or the date Microsoft accepts this Agreement, whichever is earlier.

This Agreement consists of (1) these Agreement terms and conditions, including any amendments and the signature form and all attachments identified therein, (2) the Product Terms applicable to Products licensed under this Agreement, (3) the Online Services Terms, (4) any Affiliate Enrollment entered into under this Agreement, and (5) any order submitted under this Agreement.

Please note: Documents referenced in this Agreement but not attached to the signature form may be found at <http://www.microsoft.com/licensing/contracts> and are incorporated in this Agreement by reference, including the Product Terms and Use Rights. These documents may contain additional terms and conditions for Products licensed under this Agreement and may be changed from time to time. Customer should review such documents carefully, both at the time of signing and periodically thereafter, and fully understand all terms and conditions applicable to Products licensed.

Terms and Conditions

1. Definitions.

"Affiliate" means

- a. with regard to Customer,
 - (i) any government agency, department, office, instrumentality, division, unit or other entity of the state or local government that is supervised by or is part of Customer, or which supervises Customer or of which Customer is a part, or which is under common supervision with Customer;
 - (ii) any county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state jurisdiction and geographic boundaries; and
 - (iii) any other entity in Customer's state expressly authorized by the laws of Customer's state to purchase under state contracts; provided that a state and its Affiliates shall not, for purposes of this definition, be considered to be Affiliates of the federal government and its Affiliates; and
- b. with regard to Microsoft, any legal entity that Microsoft owns, that owns Microsoft, or that is under common ownership with Microsoft.

"Customer" means the legal entity that has entered into this Agreement with Microsoft.

"Customer Data" means all data, including all text, sound, software, image, or video files that are provided to Microsoft by, or on behalf of, an Enrolled Affiliate and its Affiliates through use of Online Services.

"day" means a calendar day, except for references that specify "business day".

"Enrolled Affiliate" means an entity, either Customer or any one of Customer's Affiliates that has entered into an Enrollment under this Agreement.

“Enrollment” means the document that an Enrolled Affiliate submits under this Agreement to place orders for Products.

“Enterprise” means an Enrolled Affiliate and the Affiliates for which it is responsible and chooses on its Enrollment to include in its enterprise.

“Fixes” means Product fixes, modifications or enhancements, or their derivatives, that Microsoft either releases generally (such as Product service packs) or provides to Customer to address a specific issue.

“License” means the right to download, install, access and use a Product. For certain Products, a License may be available on a fixed term or subscription basis (“Subscription License”). Licenses for Online Services will be considered Subscription Licenses.

“Microsoft” means the Microsoft Affiliate that has entered into this Agreement or an Enrollment and its Affiliates, as appropriate.

“Online Services” means the Microsoft-hosted services identified as Online Services in the Product Terms.

“Online Services Terms” means the additional terms that apply to Customer’s use of Online Services published on the Volume Licensing Site and updated from time to time.

“Product” means all products identified in the Product Terms, such as all Software, Online Services and other web-based services, including pre-release or beta versions.

“Product Terms” means the document that provides information about Microsoft Products and Professional Services available through volume licensing. The Product Terms document is published on the Volume Licensing Site and is updated from time to time.

“SLA” means Service Level Agreement, which specifies the minimum service level for Online Services and is published on the Volume Licensing Site.

“Software” means licensed copies of Microsoft software identified on the Product Terms. Software does not include Online Services, but Software may be part of an Online Service.

“Software Assurance” is an offering by Microsoft that provides new version rights and other benefits for Products as further described in the Product Terms.

“Trade Secret” means information that is not generally known or readily ascertainable to the public, has economic value as a result, and has been subject to reasonable steps under the circumstances to maintain its secrecy.

“use” or “run” means to copy, install, use, access, display, run or otherwise interact.

“Use Rights” means the use rights or terms of service for each Product published on the Volume Licensing Site and updated from time to time. The Use Rights supersede the terms of any end user license agreement that accompanies a Product. The Use Rights for Software are published by Microsoft in the Product Terms. The Use Rights for Online Services are published in the Online Services Terms.

“Volume Licensing Site” means <http://www.microsoft.com/licensing/contracts> or a successor site.

2. How the Enterprise program works.

- a. General.** The Enterprise program consists of the terms and conditions on which an Enrolled Affiliate may acquire Product Licenses. Under the Enterprise program, Customer and its Affiliates may order Licenses for Products by entering into Enrollments.
- b. Enrollments.** The Enterprise program gives Customer and/or its Affiliates the ability to enter into one or more Enrollments to order Products. Subscription Enrollments may be available for some of these Enrollments. Notwithstanding any other provision of this Agreement, only Enrolled Affiliates identified in an Enrollment will be responsible for complying with the terms of that Enrollment, including the terms of this Agreement incorporated by reference in that Enrollment.

- c. **Licenses.** The types of Licenses available are (1) Licenses obtained under Software Assurance (L&SA), and (2) Subscription Licenses. These License types, as well as additional License Types, are further described in the Product List.

3. ***Licenses for Products.***

- a. **License Grant.** Microsoft grants the Enterprise a non-exclusive, worldwide and limited right to download, install and use software Products, and to access and use the Online Services, each in the quantity ordered under an Enrollment. The rights granted are subject to the terms of this Agreement, the Use Rights and the Product Terms. Microsoft reserves all rights not expressly granted in this Agreement.
- b. **Duration of Licenses.** Subscription Licenses and most Software Assurance rights are temporary and expire when the applicable Enrollment is terminated or expires, unless the Enrolled Affiliate exercises a buy-out option, which is available for some Subscription Licenses. Except as otherwise noted in the applicable Enrollment or Use Rights, all other Licenses become perpetual only when all payments for that License have been made and the initial Enrollment term has expired.
- c. **Applicable Use Rights.**
- (i) **Products (other than Online Services).** The Use Rights in effect on the effective date of the applicable Enrollment term will apply to Enterprise's use of the version of each Product that is current at the time. For future versions and new Products, the Use Rights in effect when those versions and Products are first released will apply. Changes Microsoft makes to the Use Rights for a particular version will not apply unless the Enrolled Affiliate chooses to have those changes apply. The Use Rights applicable to perpetual Licenses that were acquired under a previous agreement or Enrollment are determined by the Agreement or Enrollment under which they were acquired. Renewal of Software Assurance does not change which Use Rights apply to those Licenses.
 - (ii) **Online Services.** For Online Services, the Use Rights in effect on the subscription start date will apply for the subscription term as defined in the Product Terms.
- d. **Downgrade rights.** Enrolled Affiliate may use an earlier version of a Product other than Online Services than the version that is current on the effective date of the Enrollment. For Licenses acquired in the current Enrollment term, the Use Rights for the current version apply to the use of the earlier version. If the earlier Product version includes features that are not in the new version, then the Use Rights applicable to the earlier version apply with respect to those features.
- e. **New Version Rights under Software Assurance.** Enrolled Affiliate must order and maintain continuous Software Assurance coverage for each License ordered. With Software Assurance coverage, Enterprise automatically has the right to use a new version of a licensed Product as soon as it is released, even if Enrolled Affiliate chooses not to use the new version immediately.
- (i) Except as otherwise permitted under an Enrollment, use of the new version will be subject to the new version's Use Rights.
 - (ii) If the License for the earlier version of the Product is perpetual at the time the new version is released, the License for the new version will also be perpetual. Perpetual Licenses obtained through Software Assurance replace any perpetual Licenses for the earlier version.
- f. **License confirmation.** This Agreement, the applicable Enrollment, Enrolled Affiliate's order confirmation, and any documentation evidencing transfers of perpetual Licenses, together with proof of payment, will be Enrolled Affiliate's evidence of all Licenses obtained under an Enrollment.

- g. Reorganizations, consolidations and privatizations.** If the number of Licenses covered by an Enrollment changes by more than ten percent as a result of (1) a reorganization, consolidation or privatization of an entity or an operating division, (2) a privatization of an Affiliate or an operating division of Enrolled Affiliate or any of its Affiliates, or (3) a consolidation including a merger with a third party that has an existing agreement or Enrollment, Microsoft will work with Enrolled Affiliate in good faith to determine how to accommodate its changed circumstances in the context of this Agreement.

4. *Making copies of Products and re-imaging rights.*

- a. General.** Enrolled Affiliate may make as many copies of Products, as it needs to distribute them within the Enterprise. Copies must be true and complete (including copyright and trademark notices) from master copies obtained from a Microsoft approved fulfillment source. Enrolled Affiliate may use a third party to make these copies, but Enrolled Affiliate agrees it will be responsible for any third party's actions. Enrolled Affiliate agrees to make reasonable efforts to notify its employees, agents, and any other individuals who use the Products that the Products are licensed from Microsoft and subject to the terms of this Agreement.
- b. Copies for training/evaluation and back-up.** For all Products other than Online Services, Enrolled Affiliate may: (1) use up to 20 complimentary copies of any licensed Product in a dedicated training facility on its premises for purposes of training on that particular Product, (2) use up to 10 complimentary copies of any Products for a 60-day evaluation period, and (3) use one complimentary copy of any licensed Product for back-up or archival purposes for each of its distinct geographic locations. Trials for Online Services may be available if specified in the Use Rights.
- c. Right to re-image.** In certain cases, re-imaging is permitted using the Product media. If the Microsoft Product is licensed (1) from an original equipment manufacturer (OEM), (2) as a full packaged Product through a retail source, or (3) under another Microsoft program, then media provided under this Agreement may generally be used to create images for use in place of copies provided through that separate source. This right is conditional upon the following:
- (i) Separate Licenses must be acquired from the separate source for each Product that is re-imaged.
 - (ii) The Product, language, version, and components of the copies made must be identical to the Product, language, version, and all components of the copies they replace and the number of copies or instances of the re-imaged Product permitted remains the same.
 - (iii) Except for copies of an operating system and copies of Products licensed under another Microsoft program, the Product type (e.g., Upgrade or full License) re-imaged must be identical to the Product type licensed from the separate source.
 - (iv) Enrolled Affiliate must adhere to any Product-specific processes or requirements for re-imaging identified in the Product Terms.

Re-imaged Products remain subject to the terms and use rights of the License acquired from the separate source. This subsection does not create or extend any Microsoft warranty or support obligation.

5. *Transferring and reassigning Licenses.*

- a. License transfers.** License transfers are not permitted, except that Customer or an Enrolled Affiliate may transfer only fully-paid perpetual Licenses to:
- (i) an Affiliate, or
 - (ii) a third party solely in connection with the transfer of hardware or employees to whom the Licenses have been assigned as part of (A) a privatization of an Affiliate or agency or of an

operating division of Enrolled Affiliate or an Affiliate, (B) a reorganization, or (C) a consolidation.

Upon such transfer, Customer or Enrolled Affiliate must uninstall and discontinue using the licensed Product and render any copies unusable.

- b. Notification of License Transfer.** Enrolled Affiliate must notify Microsoft of a License transfer by completing a license transfer form, which can be obtained from <http://www.microsoft.com/licensing/contracts> and sending the completed form to Microsoft before the License transfer. No License transfer will be valid unless Enrolled Affiliate provides to the transferee, and the transferee accepts in writing, documents sufficient to enable the transferee to ascertain the scope, purpose and limitations of the rights granted by Microsoft under the licenses being transferred (including the applicable Use Rights, use and transfer restrictions, warranties and limitations of liability). Any License transfer not made in compliance with this section will be void.
- c. Internal Assignment of Licenses and Software Assurance.** Licenses and Software Assurance must be assigned to a single user or device within the Enterprise. Licenses and Software Assurance may be reassigned within the Enterprise as described in the Use Rights.

6. Term and termination.

- a. Term.** The term of this Agreement will be 36 full calendar months from the effective date unless terminated by either party as described below. Each Enrollment will have the term provided in that Enrollment.
- b. Termination without cause.** Either party may terminate this Agreement, without cause, upon 60 days' written notice. In the event of termination, new Enrollments will not be accepted, but any existing Enrollment will continue for the term of such Enrollment and will continue to be governed by this Agreement.
- c. Mid-term termination for non-appropriation of Funds.** Enrolled Affiliate may terminate this Agreement or an Enrollment without liability, penalty or further obligation to make payments if funds to make payments under the Agreement or Enrollment are not appropriated or allocated by the Enrolled Affiliate for such purpose.
- d. Termination for cause.** Without limiting any other remedies it may have, either party may terminate an Enrollment if the other party materially breaches its obligations under this Agreement, including any obligation to submit orders or pay invoices. Except where the breach is by its nature not curable within 30 days, the terminating party must give the other party 30 days' notice of its intent to terminate and an opportunity to cure the breach.

If Microsoft gives such notice to an Enrolled Affiliate, Microsoft also will give Customer a copy of that notice and Customer agrees to help resolve the breach. If the breach affects other Enrollments and cannot be resolved between Microsoft and Enrolled Affiliate, together with Customer's help, within a reasonable period of time, Microsoft may terminate this Agreement and all Enrollments under it. If an Enrolled Affiliate ceases to be Customer's Affiliate, it must promptly notify Microsoft, and Microsoft may terminate the former Affiliate's Enrollment. If an Enrolled Affiliate terminates its Enrollment as a result of a breach by Microsoft, or if Microsoft terminates an Enrollment because Enrolled Affiliate ceases to be Customer's Affiliate, then Enrolled Affiliate will have the early termination rights described in the Enrollment.

- e. Early termination.** If (1) an Enrolled Affiliate terminates its Enrollment as a result of a breach by Microsoft, or (2) if Microsoft terminates an Enrollment because the Enrolled Affiliate has ceased to be an Affiliate of Customer, or (3) Enrolled Affiliate terminates an Enrollment for non-appropriation of funds, or (4) Microsoft terminates an Enrollment for non-payment due to non-appropriation of funds, then the Enrolled Affiliate will have the following options:
 - (i)** It may immediately pay the total remaining amount due, including all installments, in which case, the Enrolled Affiliate will have perpetual rights for all Licenses it has ordered; or

(ii) It may pay only amounts due as of the termination date, in which case the Enrolled Affiliate will have perpetual Licenses for:

- 1) all copies of Products (including the latest version of Products ordered under SA coverage in the current term) for which payment has been made in full, and
- 2) the number of copies of Products it has ordered (including the latest version of Products ordered under Software Assurance coverage in current term) that is proportional to the total of installment payments paid versus total amounts due (paid and payable) if the early termination had not occurred.

(iii) In the case of early termination under subscription Enrollments, Enrolled Affiliate will have the following options:

- 1) For eligible Products, Enrolled Affiliate may obtain perpetual Licenses as described in the section of the Enrollment titled "Buy-out option," provided that Microsoft receives the buy-out order for those Licenses within 60 days after Enrolled Affiliate provides notice of termination.
- 2) In the event of a breach by Microsoft, if Customer chooses not to exercise a buy-out option, Microsoft will issue Enrolled Affiliate a credit for any amount paid in advance for Subscription Licenses that the Enterprise will not be able to use to do the termination of the Enrollment.

Nothing in this section shall affect perpetual License rights acquired either in a separate agreement or in a prior term of the terminated Enrollment.

f. Effect of termination or expiration. When an Enrollment expires or is terminated,

- (i) Enrolled Affiliate must order Licenses for all copies of Products it has run for which it has not previously submitted an order. Any and all unpaid payments for any order of any kind remain due and payable. Except as provided in the subsection titled "Early termination," all unpaid payments for Licenses immediately become due and payable.
- (ii) Enrolled Affiliate's right to Software Assurance benefits under this Agreement ends if it does not renew Software Assurance.

g. Modification or termination of an Online Service for regulatory reasons. Microsoft may modify or terminate an Online Service where there is any current or future government requirement or obligation that: (1) subjects Microsoft to any regulation or requirement not generally applicable to businesses operating in the jurisdiction; (2) presents a hardship for Microsoft to continue operating the Online Service without modification; and/or (3) causes Microsoft to believe these terms or the Online Service may conflict with any such requirement or obligation.

h. Program updates. Microsoft may make changes to this program that will make it necessary for Customer and its Enrolled Affiliates to enter into new agreements and Enrollments at the time of an Enrollment renewal.

7. Use, ownership, rights, and restrictions.

- a. Products.** Unless otherwise specified in a supplemental agreement, use of any Product is governed by the Use Rights specific to each Product and version and by the terms of the applicable supplemental agreement.
- b. Fixes.** Each Fix is licensed under the same terms as the Product to which it applies. If a Fix is not provided for a specific Product, any use rights Microsoft provides with the Fix will apply.
- c. Non-Microsoft software and technology.** Enrolled Affiliate is solely responsible for any non-Microsoft software or technology that it installs or uses with the Products or Fixes.

- d. **Restrictions.** Enrolled Affiliate must not (and is not licensed to) (1) reverse engineer, decompile, or disassemble any Product or Fix; (2) install or use non-Microsoft software or technology in any way that would subject Microsoft's intellectual property or technology to any other license terms; or (3) work around any technical limitations in a Product or Fix or restrictions in Product documentation. Customer must not (and is not licensed to) (i) separate and run parts of a Product or Fix on more than one device, upgrade or downgrade parts of a Product or Fix at different times, or transfer parts of a Product or Fix separately; or (ii) distribute, sublicense, rent, lease, lend any Products or Fixes, in whole or in part, or use them to offer hosting services to a third party.
- e. **Reservation of rights.** Products and Fixes are protected by copyright and other intellectual property rights laws and international treaties. Microsoft reserves all rights not expressly granted in this agreement. No rights will be granted or implied by waiver or estoppel. Rights to access or use Software on a device do not give Customer any right to implement Microsoft patents or other Microsoft intellectual property in the device itself or in any other software or devices.

8. Confidentiality.

"Confidential Information" is non-public information that is designated "confidential" or that a reasonable person should understand is confidential, including Customer Data. Confidential Information does not include information that (a) becomes publicly available without a breach of this agreement, (b) the receiving party received lawfully from another source without a confidentiality obligation, (c) is independently developed, or (d) is a comment or suggestion volunteered about the other party's business, products or services.

Each party will take reasonable steps to protect the other's Confidential Information and will use the other party's Confidential Information only for purposes of the parties' business relationship. Neither party will disclose that Confidential Information to third parties, except to its employees, Affiliates, contractors, advisors and consultants ("Representatives") and then only on a need-to-know basis under nondisclosure obligations at least as protective as this agreement. Each party remains responsible for the use of the Confidential Information by its Representatives and, in the event of discovery of any unauthorized use or disclosure, must promptly notify the other party.

A party may disclose the other's Confidential Information if required by law; but only after it notifies the other party (if legally permissible) to enable the other party to seek a protective order.

Neither party is required to restrict work assignments of its Representatives who have had access to Confidential Information. Each party agrees that the use of information retained in Representatives' unaided memories in the development or deployment of the parties' respective products or services does not create liability under this Agreement or trade secret law, and each party agrees to limit what it discloses to the other accordingly.

These obligations apply (i) for Customer Data until it is deleted from the Online Services, and (ii) for all other Confidential Information, for a period of five years after a party receives the Confidential Information.

9. Privacy and compliance with laws.

- a. Enrolled Affiliate consents to the processing of personal information by Microsoft and its agents to facilitate the subject matter of this Agreement. Enrolled Affiliate will obtain all required consents from third parties under applicable privacy and data protection law before providing personal information to Microsoft.
- b. Personal information collected under this agreement (i) may be transferred, stored and processed in the United States or any other country in which Microsoft or its service providers maintain facilities and (ii) will be subject to the privacy terms specified in the Use Rights. Microsoft will abide by the requirements of European Economic Area and Swiss data protection

law regarding the collection, use, transfer, retention, and other processing of personal data from the European Economic Area and Switzerland.

- c. **U.S. export.** Products and Fixes are subject to U.S. export jurisdiction. Enrolled Affiliate must comply with all applicable international and national laws, including the U.S. Export Administration Regulations and International Traffic in Arms Regulations, and end-user, end use and destination restrictions issued by U.S. and other governments related to Microsoft products, services and technologies.

10. Warranties.

a. Limited warranties and remedies.

- (i) **Software.** Microsoft warrants that each version of the Software will perform substantially as described in the applicable Product documentation for one year from the date the Enterprise is first licensed for that version. If it does not and the Enterprise notifies Microsoft within the warranty term, then Microsoft will, at its option (1) return the price Enrolled Affiliate paid for the Software license, or (2) repair or replace the Software.
- (ii) **Online Services.** Microsoft warrants that each Online Service will perform in accordance with the applicable SLA during the Enterprise's use. The Enterprise's remedies for breach of this warranty are in the SLA.

The remedies above are the Enterprise's sole remedies for breach of the warranties in this section. Customer waives any breach of warranty claims not made during the warranty period.

- b. **Exclusions.** The warranties in this agreement do not apply to problems caused by accident, abuse, or use in a manner inconsistent with this Agreement, including failure to meet minimum system requirements. These warranties do not apply to free, trial, pre-release, or beta products, or to components of Products that Enrolled Affiliate is permitted to redistribute.
- c. **Disclaimer.** Except for the limited warranties above, Microsoft provides no other warranties or conditions and disclaims any other express, implied, or statutory warranties, including warranties of quality, title, non-infringement, merchantability, and fitness for a particular purpose.

11. Defense of third party claims.

The parties will defend each other against the third-party claims described in this section and will pay the amount of any resulting adverse final judgment or approved settlement, but only if the defending party is promptly notified in writing of the claim and has the right to control the defense and any settlement of it. The party being defended must provide the defending party with all requested assistance, information, and authority. The defending party will reimburse the other party for reasonable out-of-pocket expenses it incurs in providing assistance. This section describes the parties' sole remedies and entire liability for such claims.

- a. **By Microsoft.** Microsoft will defend Enrolled Affiliate against any third-party claim to the extent it alleges that a Product or Fix made available by Microsoft for a fee and used within the scope of the license granted (unmodified from the form provided by Microsoft and not combined with anything else) misappropriates a trade secret or directly infringes a patent, copyright, trademark or other proprietary right of a third party. If Microsoft is unable to resolve a claim of infringement under commercially reasonable terms, it may, at its option, either (1) modify or replace the Product or Fix with a functional equivalent; or (2) terminate Enrolled Affiliate's license and refund any prepaid license fees (less depreciation on a five-year, straight-line basis) for perpetual licenses and any amount paid for Online Services for any usage period after the termination date. Microsoft will not be liable for any claims or damages due to Enrolled Affiliate's continued use of a Product or Fix after being notified to stop due to a third-party claim.
- b. **By Enrolled Affiliate.** To the extent permitted by applicable law, Enrolled Affiliate will defend Microsoft against any third-party claim to the extent it alleges that: (1) any Customer Data or

non-Microsoft software hosted in an Online Service by Microsoft on Enrolled Affiliate's behalf misappropriates a trade secret or directly infringes a patent, copyright, trademark, or other proprietary right of a third party; or (2) Enrolled Affiliate's use of any Product or Fix, alone or in combination with anything else, violates the law or damages a third party.

12. Limitation of liability.

For each Product, each party's maximum, aggregate liability to the other under this Agreement is limited to direct damages finally awarded in an amount not to exceed the amounts Enrolled Affiliate was required to pay for the applicable Products during the term of this Agreement, subject to the following:

- a. **Online Services.** For Online Services, Microsoft's maximum liability to Enrolled Affiliate for any incident giving rise to a claim will not exceed the amount Enrolled Affiliate paid for the Online Service during the 12 months before the incident.
- b. **Free Products and Distributable Code.** For Products provided free of charge and code that Enrolled Affiliate is authorized to redistribute to third parties without separate payment to Microsoft, Microsoft's liability is limited to direct damages finally awarded up to US\$5,000.
- c. **Exclusions.** In no event will either party be liable for indirect, incidental, special, punitive, or consequential damages, or for loss of use, loss of business information, loss of revenue, or interruption of business, however caused or on any theory of liability.
- d. **Exceptions.** No limitation or exclusions will apply to liability arising out of either party's (1) confidentiality obligations (except for all liability related to Customer Data, which will remain subject to the limitations and exclusions above); (2) defense obligations; or (3) violation of the other party's intellectual property rights.

13. Verifying compliance.

- a. **Right to verify compliance.** Enrolled Affiliate must keep records relating to all use and distribution of Products by Enrolled Affiliate and its Affiliates. Microsoft has the right, at its expense, to the extent permitted by applicable law, to verify compliance with the Product's license terms. Enrolled Affiliate must promptly provide the independent auditor with any information the auditor reasonably requests in furtherance of the verification, including access to systems running the Products and evidence of Licenses for Products Enrolled Affiliate hosts, sublicenses, or distributes to third parties. Enrolled Affiliate agrees to complete Microsoft's self-audit process, which Microsoft may require as an alternative to a third party audit.
- b. **Remedies for non-compliance.** If verification or self-audit reveals any unlicensed use or distribution, then within 30 days, (1) Enrolled Affiliate must order sufficient Licenses to cover that use or distribution, and (2) if unlicensed use or distribution is 5% or more, Enrolled Affiliate must reimburse Microsoft for the cost Microsoft has incurred in verification and acquire the necessary additional licenses at 125% of the price based on the then-current price list and Enrolled Affiliate price level. The unlicensed use percentage is based on the total number of licenses purchased compared to actual install base. If there is no unlicensed use, Microsoft will not subject Enrolled Affiliate to another verification for at least one year. By exercising the rights and procedures described above, Microsoft does not waive its rights to enforce this Agreement or to protect its intellectual property by any other means permitted by law.
- c. **Verification process.** Microsoft will notify Enrolled Affiliate at least 30 days in advance of its intent to verify Enrolled Affiliate's compliance with the license terms for the Products Enrolled Affiliate and its Affiliates use or distribute. Microsoft will engage an independent auditor, which will be subject to a confidentiality obligation. Any information collected in the self-audit will be used solely for purposes of determining compliance. This verification will take place during normal business hours and in a manner that does not interfere unreasonably with Enrolled Affiliate's operations.

14. **Miscellaneous.**

- a. **Use of contractors.** Microsoft may use contractors to perform services, but will be responsible for their performance subject to the terms of this Agreement.
- b. **Microsoft as independent contractor.** The parties are independent contractors. Enrolled Affiliate and Microsoft each may develop products independently without using the other's Confidential Information.
- c. **Notices.** Notices to Microsoft must be sent to the address on the signature form. Notices must be in writing and will be treated as delivered on the date shown on the return receipt or on the courier or fax confirmation of delivery. Microsoft may provide information to Enrolled Affiliate about upcoming ordering deadlines, services, and subscription information in electronic form, including by email to contacts provided by Enrolled Affiliate. Emails will be treated as delivered on the transmission date.
- d. **Agreement not exclusive.** Customer is free to enter into agreements to license, use or promote non-Microsoft products.
- e. **Amendments.** Any amendment to this Agreement must be executed by both parties, except that Microsoft may change the Product Terms and the Use Rights from time to time in accordance with the terms of this Agreement. Any conflicting terms and conditions contained in an Enrolled Affiliate's purchase order will not apply. Microsoft may require Customer to sign a new agreement or an amendment before an Enrolled Affiliate enters into an Enrollment under this agreement.
- f. **Assignment.** Either party may assign this Agreement to an Affiliate, but must notify the other party in writing of the assignment. Any other proposed assignment must be approved by the non-assigning party in writing. Assignment will not relieve the assigning party of its obligations under the assigned agreement. Any attempted assignment without required approval will be void.
- g. **Applicable law; dispute resolution.** The terms of this Agreement will be governed by the laws of Customer's state, without giving effect to its conflict of laws. Disputes relating to this Agreement will be subject to applicable dispute resolution laws of Customer's state.
- h. **Severability.** If any provision in this agreement is held to be unenforceable, the balance of the agreement will remain in full force and effect.
- i. **Waiver.** Failure to enforce any provision of this agreement will not constitute a waiver. Any waiver must be in writing and signed by the waiving party.
- j. **No third-party beneficiaries.** This Agreement does not create any third-party beneficiary rights.
- k. **Survival.** All provisions survive termination or expiration of this Agreement except those requiring performance only during the term of the Agreement.
- l. **Management and Reporting.** Customer and/or Enrolled Affiliate may manage account details (e.g., contacts, orders, Licenses, software downloads) on Microsoft's Volume Licensing Service Center ("VLSC") web site (or successor site) at: <https://www.microsoft.com/licensing/servicecenter>. Upon the effective date of this Agreement and any Enrollments, the contact(s) identified for this purpose will be provided access to this site and may authorize additional users and contacts.
- m. **Order of precedence.** In the case of a conflict between any documents in this Agreement that is not expressly resolved in those documents, their terms will control in the following order from highest to lowest priority: (1) this Enterprise Agreement, (2) any Enrollment, (3) the Product Terms, (4) the Online Services Terms, (5) orders submitted under this Agreement, and (6) any other documents in this Agreement. Terms in an amendment control over the amended document and any prior amendments concerning the same subject matter.

- n. **Free Products.** It is Microsoft's intent that the terms of this Agreement and the Use Rights be in compliance with all applicable federal law and regulations. Any free Product provided to Enrolled Affiliate is for the sole use and benefit of the Enrolled Affiliate, and is not provided for use by or personal benefit of any specific government employee.
- o. **Voluntary Product Accessibility Templates.** Microsoft supports the government's obligation to provide accessible technologies to its citizens with disabilities as required by Section 508 of the Rehabilitation Act of 1973, and its state law counterparts. The Voluntary Product Accessibility Templates ("VPATs") for the Microsoft technologies used in providing the Online Services can be found at Microsoft's VPAT page. Further information regarding Microsoft's commitment to accessibility can be found at <http://www.microsoft.com/enable>.
- p. **Natural disaster.** In the event of a "natural disaster," Microsoft may provide additional assistance or rights by posting them on <http://www.microsoft.com> at such time.
- q. **Copyright violation.** Except as set forth in the section above entitled "Transferring and reassigning Licenses", the Enrolled Affiliate agrees to pay for, and comply with the terms of this Agreement and the Use Rights, for the Products it uses. Except to the extent Enrolled Affiliate is licensed under this Agreement, it will be responsible for its breach of this contract and violation of Microsoft's copyright in the Products, including payment of License fees specified in this Agreement for unlicensed use.



Program Signature Form

MBA/MBSA number

Proposal ID

Agreement number

Note: Enter the applicable active numbers associated with the documents below. Microsoft requires the associated active number be indicated here, or listed below as new.

For the purposes of this form, "Customer" can mean the signing entity, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

This signature form and all contract documents identified in the table below are entered into between the Customer and the Microsoft Affiliate signing, as of the effective date identified below.

Contract Document	Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Agreement>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
<Choose Enrollment/Registration>	Document Number or Code
Document Description	Document Number or Code
Document Description	Document Number or Code
Document Description	Document Number or Code
Document Description	Document Number or Code
Document Description	Document Number or Code

By signing below, Customer and the Microsoft Affiliate agree that both parties (1) have received, read and understand the above contract documents, including any websites or documents incorporated by reference and any amendments and (2) agree to be bound by the terms of all such documents.

Customer
Name of Entity (must be legal entity name)* Signature* _____ Printed First and Last Name* _____ Printed Title _____ Signature Date* _____
Tax ID _____

* indicates required field

Microsoft Affiliate
Microsoft Corporation
Signature _____ Printed First and Last Name _____ Printed Title _____ Signature Date (date Microsoft Affiliate countersigns)
Agreement Effective Date (may be different than Microsoft's signature date)

Optional 2nd Customer signature or Outsourcer signature (if applicable)

Customer
Name of Entity (must be legal entity name)* Signature* _____ Printed First and Last Name* _____ Printed Title _____ Signature Date* _____

** indicates required field*

Outsourcer
Name of Entity (must be legal entity name)* Signature* _____ Printed First and Last Name* _____ Printed Title _____ Signature Date* _____

** indicates required field*

If Customer requires physical media, additional contacts, or is reporting multiple previous Enrollments, include the appropriate form(s) with this signature form.

After this signature form is signed by the Customer, send it and the Contract Documents to Customer's channel partner or Microsoft account manager, who must submit them to the following address. When the signature form is fully executed by Microsoft, Customer will receive a confirmation copy.

Microsoft Corporation

Dept. 551, Volume Licensing
 6100 Neil Road, Suite 210
 Reno, Nevada 89511-1137
 USA



EA Budgetary Proposal
Chester County Government, SC.
EA# TBD



Carolina Vance
PubSec Microsoft Account Executive
Mobile: 630-854-6110
<https://www.shi.com/partners/microsoft>

			Year 1		Year 2		Year 3	
			8/1/2025 - 7/31/2026		8/1/2026 - 7/31/2027		8/1/2027 - 7/31/2028	
Part #	Item Name	Quantity	Price	Extended	Price	Extended	Price	Extended
KF5-00002	Defender O365 P1 Sub Per User	0	\$18.66	\$0.00	\$18.66	\$0.00	\$18.66	\$0.00
83I-00001	M365 Copilot Sub Add-on	2	\$368.33	\$736.66	\$368.33	\$736.66	\$368.33	\$736.66
EP2-07438	M365 E5 FUSL No Teams Sub Per User	100	\$592.27	\$59,227.00	\$592.27	\$59,227.00	\$592.27	\$59,227.00
JFX-00003	M365 F3 FUSL Sub Per User	110	\$84.47	\$9,291.70	\$84.47	\$9,291.70	\$84.47	\$9,291.70
EP2-07405	O365 E5 FUSL No Teams Sub Per User	98	\$386.99	\$37,925.02	\$386.99	\$37,925.02	\$386.99	\$37,925.02
NYG-00001	Teams AC with Dial Out US/CA Sub Add-on	308	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
EP2-07387	Teams Enterprise Sub Per User	198	\$64.83	\$12,836.34	\$64.83	\$12,836.34	\$64.83	\$12,836.34
			Year 1 Total		Year 2 Total		Year 3 Total	
			\$120,016.72		\$120,016.72		\$120,016.72	
Three Year Total:			\$360,050.16					

Notes:

Contract: South Carolina State Contract

Contract #: 4400035782



Chester County Council,

This letter is to inform you that I , Earl Thrailkill wish to resign from the Fort Lawn Fire Protection District Board effective July 1, 2025.

Earl Thrailkill

A handwritten signature in blue ink that reads "Earl Thrailkill".