

**RICHLAND COUNTY COUNCIL
SPECIAL CALLED MEETING
COUNCIL CHAMBERS
July 24, 2007
IMMEDIATELY FOLLOWING A&F**

CALL TO ORDER **Honorable Joseph McEachern,
Chairman**

INVOCATION **Honorable Joyce Dickerson**

PLEDGE OF ALLEGIANCE
Honorable Joyce Dickerson

PRESENTATION OF RESOLUTIONS:

**Resolutions for Act of Heroism:
Miesha Walton and Adriana Creech**

CITIZEN'S INPUT

APPROVAL OF MINUTES

Regular Session: July 10, 2007 [Pages 6-15]

ADOPTION OF AGENDA

**REPORT OF THE COUNTY ATTORNEY FOR EXECUTIVE
SESSION ITEMS**

a. Farmer's Market

REPORT OF THE COUNTY ADMINISTRATOR

a. CASA National Diversity Award

REPORT OF THE CLERK OF COUNCIL

a. National Guard Tour of Facilities

REPORT OF THE CHAIRMAN

a. Air Quality Resolution

APPROVAL OF PUBLIC HEARING ITEMS

1.g.

APPROVAL OF CONSENT ITEMS

1.a., 1.b., 1.c., 1.e., 1.f., 1.g, 2.a.

1. THIRD READING ITEMS

- a. An Ordinance authorizing the Special Source Revenue Bonds not to exceed \$1,,000,000 payable from fee-in-lieu of tax revenues generated from properties within the I-77 Corridor Regional Industrial Park; the proceeds to be used to finance improvements in the Northpoint Industrial Park [CONSENT] [Pages 16-24]**
- b. 07-24MA
Richland County Council
RU to TROS: 20500-06-22 (Columbia Country Club) & 23400-05-05 (Golf Club of South Carolina a/k/a Crickentree) & 08100-02-05 & 08000-02-07 & 08000-02-12 (Linrick Gold Course) and RS-LD to TROS: 16704-03-01 (Forest Lake Club) & 20010-01-05 (Spring Valley Country Club) & 22716-01-01 (Wildewood Country Club) & 20406-02-01 & 20406-02-02 (Windermere Club) & 25703-01-01 (Woodlands Country Club) [CONSENT] [Pages 25-26]**
- c. 07-30MA
Retreat Columbia
RU/M-1 to RM-HD (21.25 acres)
Multi-Family Dwellings
11115-06-02 & 11100-01-10(p)
Barnes & Riley Street [CONSENT] [Pages 27-29]**
- d. 07-32MA
Seven Acre Cut, LLC.
Patrick Palmer
M-1 to GC (20.10)
General Commercial
14600-03-16 (p)
I-77 & Killian Road [Pages 30-32]**
- e. 07-33MA
Mark Jeffers
RU to GC (1.11)**

**General Commercial
28800-04-05
Percival Rd. & Spears Creek Church Road
[Pages 33-34]**

- f. An Ordinance providing for entering into a tax-exempt lease purchase transaction of not exceeding \$3,700,000 and a sublease with Allen University, to prescribe the purposes for which the proceeds shall be expended, to provide for the payment thereof, and other matters pertaining thereto [CONSENT] [Pages 35-102]**
- g. An Ordinance Amending the Richland County Code of Ordinances; Chapter 16, Licenses and Miscellaneous Business Regulations; Article 1, in general; so as to standardize this section to Business License Ordinances Statewide [PUBLIC HEARING] [CONSENT] [Pages 103-117]**

2. SECOND READING ITEMS

- a. An Ordinance amending the Richland County Code of Ordinances; Chapter 17, Motor Vehicles and Traffic; Article 1, Regulations regarding County owned or leased property; Section 17-2, Parking on County Office property; Subparagraph (A)(6); So that the County Finance Department will determine and set the cost for a parking decal [CONSENT] [Page 118]**
- b. An Ordinance amending the Richland County Code of Ordinances, Chapter 2, Administration; Article III, Administrative Offices and Officers; Division 3, Assistant County Administrator [Pages 119-121]**

3. REPORT OF THE RULES AND APPOINTMENTS COMMITTEE [Pages 122-123]

- I. NOTIFICATION OF VACANCIES ON BOARDS, COMMISSIONS, AND COMMITTEES**
 - a. Lexington/Richland Alcohol and Drug Abuse Council-1**

- II. NOTIFICATION OF APPOINTMENTS TO BOARDS, COMMISSIONS, AND COMMITTEES**
 - a. Central Midlands Council of Governments-3 [Pages 124-126]**
 - b. Community Relations Council [Pages 127-130]**
 - c. East Richland Public Service Commission-1 [Page 131]**
 - d. Employee Grievance Committee-2 [Pages 132-136]**
 - e. Library Board of Trustees-4 [Pages 137-146]**
 - f. Music Festival Commission-2 [Pages 147-148]**
- III. CENTRAL MIDLANDS RTA TERM AND MIDLANDS REGIONAL CONVENTION CENTER AUTHORITY**
- IV. RIVERBANKS ZOO AND GARDEN RICHLAND COUNTY APPOINTMENT [Pages 149-150]**
- V. ORDINANCE FOR THE ARCHITECTURAL REVIEW BOARD [Pages 151-153]**
- VI. DRAFT POLICY FOR SPONSORSHIP TABLES**
- VII. POLICY FOR MOTIONS MADE DURING MOTION PERIOD**
- 4. REPORT OF ECONOMIC DEVELOPMENT COMMITTEE**
 - a. Request for Manufacturer's Exemption from County millage for 2006 for Allied Concrete Products of South Carolina [Pages 154-157]**
- 5. APPLICATION FOR LOCATING A COMMUNITY RESIDENTIAL CARE FACILITY [Pages 158-163]**
 - a. Brenda Price
528 Atterbury Drive
Columbia, South Carolina 29203**

6. **APPROVAL OF RESOLUTION**
 - a. **A Resolution Authorizing a Petition to the State Budget and Control Board of South Carolina for its approval of not to exceed \$3,000,000 Principal Amount Richland County, South Carolina Special Source Revenue Bond (Vulcan River Road Project) in one of more series; such undertaking pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended; and providing for other matters relating thereto. [Pages 164-169]**
7. **GRANT ACCEPTANCE**
 - a. **Acceptance of a Community/Economic Grant in the amount of (\$20,000) from SCANA for the Staples economic development project [Page 170]**
8. **ITEMS REFERRED FROM D&S**
9. **ITEMS REFERRED FROM A&F**
10. **ITEMS DEFERRED FROM JUNE A&F MEETING**
 - a. **Community Development: Requested to approve the Five-Year Consolidated Plan [Pages 171-172]**
11. **CITIZEN'S INPUT**
12. **MOTION PERIOD**
13. **ADJOURNMENT**

MINUTES OF



RICHLAND COUNTY COUNCIL REGULAR SESSION TUESDAY, JULY 10, 2007 6:00 p.m.

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

MEMBERS PRESENT:

Chair	Joseph McEachern
Vice Chair	Valerie Hutchinson
Member	Joyce Dickerson
Member	Norman Jackson
Member	Damon Jeter
Member	Paul Livingston
Member	Bill Malinowski
Member	Mike Montgomery
Member	L. Gregory Pearce, Jr.
Member	Bernice G. Scott
Absent	Kit Smith

OTHERS PRESENT – Michielle Cannon-Finch, Tony McDonald, Roxanne Matthews, Rodolfo Callwood, Jennifer Dowden, Tamara King, Joe Cronin, Larry Smith, Amelia Linder, Teresa Smith, Janet Claggett, Michael Criss, Jennie Sherry-Linder, Anna Almeida, Daniel Driggers, John Hixon, Chief Harrell, Pam Davis, Monique Walters, Michelle Onley

CALL TO ORDER

The meeting was called to order at approximately 6:03 p.m.

INVOCATION

The Invocation was given by the Honorable Michael Montgomery

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Honorable Michael Montgomery

CITIZEN'S INPUT

No one signed up to speak.

APPROVAL OF MINUTES

Regular Session: June 19, 2007 – Mr. Livingston moved, seconded by Ms. Dickerson, to approve the minutes as submitted. The vote in favor was unanimous.

Zoning Public Hearing: June 26, 2007 – Ms. Hutchinson moved, seconded by Mr. Montgomery, to approve the minutes as submitted. The vote in favor was unanimous.

ADOPTION OF AGENDA

Ms. Finch stated that Items 4.h., 4.i. and 5.i. needed to be added to the consent agenda and Items 3.a. and 4.e. needed to be removed from the agenda.

Ms. Scott moved, seconded by Ms. Dickerson, to approve the agenda as amended. The vote in favor was unanimous.

REPORT OF THE COUNTY ATTORNEY FOR EXECUTIVE SESSION MATTERS

The following items were potential Executive Session items:

- a. **Contractual Matter: Farmers' Market**
- b. **Contractual Matter: TIF Update**

REPORT OF THE COUNTY ADMINISTRATOR

PIO Award Recognition – Mr. McDonald stated that this would be deferred until the July 17th meeting since Ms. Snowden was not present.

Council NACO Prescription Drug Card – Ms. Dowden gave a brief update regarding the success of this program.

Richland 101 for Kids – Ms. Dowden stated that Richland 101 for Kids would be held July 19th at Dutch Square Mall.

REPORT OF THE CLERK OF COUNCIL

Special Called Meeting—July 24, 2007 – Ms. Finch stated that if a Special Called meeting were necessary it would need to be held on July 24th at 6:00 p.m.

Mr. Jackson moved, seconded by Ms. Scott, to schedule a Special Called meeting on July 24th at 6:00 p.m. The vote in favor was unanimous.

SCAC, July 31-August 5, 2007 – Ms. Finch stated that the conference would be held on July 31-August 5th and that she needed to speak with each member of Council after this meeting.

Longevity Reception – Ms. Finch stated that the Longevity Reception would be held on July 20th from 11:00 a.m.-2:00 p.m.

REPORT OF THE CHAIRMAN

Mr. McEachern spoke regarding the EPA standards for the County and invited Ms. Myra Reese back to make a presentation on the proposed changes. He also suggested that all the elected officials meet to address the proposed changes.

PUBLIC HEARING ITEMS

- **An Ordinance Authorizing the Amendment of a Development Agreement between Richland County, South Carolina and Lake Carolina Development, Inc., to reflect the addition of land to the Lake Carolina PUD-2 – No one signed up to speak.**
- **An Ordinance Authorizing the Granting of a Sanitary Sewer Easement to the City of Columbia across County-owned Property on Elder's Pond Drive – No one signed up to speak.**
- **An Ordinance Granting a Water Line Right-of-Way Easement to the City of Columbia across County-owned Property on Elder's Pond Drive – No one signed up to speak.**
- **An Ordinance Providing for Entering into a Tax-Exempt Lease Purchase Transaction of not Exceeding \$3,700,000 and a Sublease with Allen University, to Prescribe the Purposes for which the Proceeds Shall be Expended, to Provide for the Payment Thereof, and other matters pertaining thereto – No one signed up to speak.**
- **An Ordinance Authorizing the Special Source Revenue Bonds not to exceed \$1,000,000 payable from fee-in-lieu of tax revenues generated from properties within the I-77 Corridor Regional Industrial Park; the proceeds to be used to finance improvements in the Northpoint Industrial Park – No one signed up to speak.**

APPROVAL OF CONSENT ITEMS

Ms. Hutchinson moved, seconded by Ms. Dickerson, to approve the following consent items:

- **An Ordinance Authorizing the Amendment of a Development Agreement between Richland County, South Carolina and Lake Carolina Development, Inc., to reflect the addition of land to the Lake Carolina PUD-2 [Third Reading]**
- **An Ordinance Authorizing the Granting of a Sanitary Sewer Easement to the City of Columbia across County-owned Property on Elder's Pond Drive [Third Reading]**
- **An Ordinance Granting a Water Line Right-of-Way Easement to the City of Columbia across County-owned Property on Elder's Pond Drive [Third Reading]**
An Ordinance Authorizing the Special Source Revenue Bonds not to exceed \$1,000,000 payable from fee-in-lieu of tax revenues generated from properties within the I-77 Corridor Regional Industrial Park; the proceeds to be used to finance improvements in the Northpoint Industrial Park [Second Reading]
- **07-33, Mark Jeffers, RU to GC (1.11 acres), General Commercial, 28800-04-05, Percival Rd. & Spears Creek Church Road [Second Reading]**
- **Approval of the Intergovernmental Agreement between Richland County and Town of Irmo regarding implementation of Town's Phase II NPDES storm water permit**
- **Request to approve amended guidelines to the Neighborhood Matching Grant Program**
- **Petition to close a frontage road near Killian Road**
- **Request to approve a change order in the amount of \$42,400 to allow for the evaluation of Chapter 26, Land Development Ordinance and drafting additional language to the Ordinance to include National Pollutant Discharge Elimination [NPDES] Reissued Permit**
- **An Ordinance Amending the Richland County Code of Ordinances; Chapter 26, Land Development; Article VIII, Resource Protection Standards; Section 26-203, Stormwater Management; so as to provide for a new subsection "(E)", entitles "Stormwater Management Industrial and High Risk Runoff Inspection Guidelines." [First Reading]**
- **Request to approve a contract with ABL Food Service, Inc., in the amount of \$1,183,695.00 for food service at the Richland County Detention Center**
- **Request to approve a contract with Taylor Made Ambulances in the amount of \$176,005 to remount five ambulance patient modules on new chassis**
- **Request to approve purchase orders for the Emergency Services Department**
- **An Ordinance amending the Richland County Code of Ordinances; Chapter 17, Motor Vehicles and Traffic; Article 1, Regulations regarding County owned or leased property; Section 17-2, Parking on County Office property; Subparagraph (A)(6); so that the County Finance Department will determine and set the cost for a parking decal [First Reading]**

- Request to allow the Procurement Department to negotiate an agreement with Stevens & Wilkinson to provide Architectural/Engineering Services for the Renovation and Addition to the Township Auditorium
- Treasurer's Office: Request to award a sole-source contract of \$134,100 to Palmetto Posting for posting tax notices on the premises of delinquent real estate and mobile homes
- Requested to approve \$58,973.00 in unallocated Hospitality Tax funds for Kenneth B. Simmons and Associates to proceed with Task 3 (Park Conceptual Master Planning Services) of the northern Richland County Recreation Complex

The vote in favor was unanimous.

THIRD READING

An Ordinance providing for entering into a tax-exempt lease purchase transaction of not exceeding \$3,700,000 and a sublease with Allen University, to prescribe the purposes for which the proceeds shall be expended, to provide for the payment thereof, and other matters pertaining thereto – Mr. Livingston moved, seconded by Ms. Dickerson, to approve this item as amended. The vote in favor was unanimous.

SECOND READING

07-24MA, Richland County Council, RU to TROS: 20500-06-22 (Columbia Country Club), & 23400-05-05 (Golf Club of South Carolina aka Crickentree), & 08100-02-05 & 08000-02-07 & 08000-02-12 (Linrick Golf Course) and RS-LD to TROS: 16704-03-01 (Forest Lake Club) & 20010-01-05 (Spring Valley Country Club) & 20406-02-01 & 20406-02-02 (Windermere Club) & 25703-01-01 (Woodlands Country Club) – Mr. Montgomery moved, seconded by Ms. Hutchinson, to approve this item. A discussion took place. The vote in favor was unanimous with Ms. Scott abstaining due to a work-related conflict.

07-30MA, Retreat Columbia, RU/M-1 to RM-HD (21.25 Acres), Multi-Family Dwellings, 11115-06-02 & 11100-01-10(p), Barnes & Riley Street – Mr. Montgomery moved, seconded by Mr. Livingston, to suspend Council rules and allow the citizens to speak that did not sign up for Citizen's Input regarding this item. The vote failed.

Ms. Scott moved, seconded by Mr. Jeter, to approve this item. A discussion took place. The vote in favor was unanimous.

07-32MA, Seven Acre Cut, LLC, Patrick Palmer, M-1 to GC (20.10 Acres), General Commercial, 14600-03-16(p), I-77 & Killian Road – Ms. Scott moved, seconded by Mr. Montgomery, to approve this item. A discussion took place.

<u>In Favor</u>	<u>Oppose</u>
Jeter	Pearce
Livingston	Malinowski
Dickerson	Jackson
Scott	Hutchinson
Montgomery	McEachern

The vote failed.

An Ordinance Amending the Richland County Code of Ordinances; Chapter 16, Licenses and Miscellaneous Business Regulations; Article 1, in general; so as to standardize this section to Business License Ordinances Statewide – Mr. Montgomery moved, seconded by Mr. Malinowski, to approve the Ordinance as recommended by Staff, and as further amended, as discussed. The vote in favor was unanimous.

REPORT OF DEVELOPMENT AND SERVICES COMMITTEE

Adoption of a resolution to request that the South Carolina General Assembly and the South Carolina Congressional Delegation continue to support the manufacturing sector, the working families of South Carolina, and strong national trade policy, and to take swift and responsive actions to halt unlawful barriers to fair and free trade – A discussion took place.

Mr. Malinowski moved to defer this item. The motion died for lack of a second.

Mr. Jeter moved, seconded by Ms. Scott, to approve this item.

<u>In Favor</u>	<u>Oppose</u>
Pearce	Malinowski
Jeter	Jackson
Livingston	Hutchinson
Dickerson	McEachern
Scott	
Montgomery	

Request to award a contract to the lowest responsive bidder for the Owens Field Pavement Rehabilitation project – Ms. Dickerson moved, seconded by Ms. Scott, to approve this item. A discussion took place.

The vote in favor was unanimous.

Bookert Heights Condemnation Action – Ms. Scott moved, seconded by Mr. Jeter, to approve this item. The vote in favor was unanimous.

REPORT OF ADMINISTRATION AND FINANCE COMMITTEE

Memorandum of Understanding with Southeast Rural Community Outreach Ministries in regards to an allocation in the amount of \$167,250 from the Local Hospitality Tax Revenue Fund during the Fiscal Year 2008 budget for the development of a Lower Richland Heritage Corridor – Mr. Livingston stated that the committee's recommendation was for approval. A discussion took place.

The vote in favor was unanimous.

An Ordinance amending the Richland County Code of Ordinances, Chapter 2, Administration; Article III, Administrative Offices and Officers; Division 3, Assistant County Administrator – Mr. Livingston stated that the committee's recommendation was for approval. A discussion took place.

The vote was in favor.

Victim's Assistance Budget – Mr. Montgomery moved, seconded Ms. Dickerson, to defer this item. A discussion took place.

The vote in favor was unanimous.

APPLICATION FOR LOCATING A COMMUNITY RESIDENTIAL CARE FACILITY

Brenda Price, 528 Atterbury Drive, Columbia, SC 29203 – Mr. Montgomery moved, seconded by Ms. Hutchinson, to defer this item. The vote in favor was unanimous.

Request to award a contract to the lowest responsive bidder for the Owens Field Pavement Rehabilitation project – Mr. Pearce moved, seconded by Ms. Scott, to reconsider this item. The vote failed.

CITIZEN'S INPUT

Ms. Sandra Hicks spoke regarding Victim's Rights.

EXECUTIVE SESSION ITEMS

Mr. Montgomery moved, seconded by Ms. Scott, to go into Executive Session. The vote in favor was unanimous.

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Council went into Executive Session at approximately 7:29 p.m. and came out at approximately 8:24 p.m.
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Ms. Scott moved, seconded by Mr. Malinowski, to come out of Executive Session. The vote in favor was unanimous.

- a. **Contractual Matter: Farmers' Market** – No action was taken.
- b. **Contractual Matter: TIF Update** – No action taken.

MOTION PERIOD

Lower Richland Apartment Fire Heroes Resolution – Mr. Jackson moved, seconded by Ms. Scott, to adopt a resolution honoring the two young ladies that assisted the other residents during the recent apartment fire. The vote in favor was unanimous.

Alice Kelly Resolution – Ms. Dickerson moved, seconded by Ms. Scott, to adopt a resolution honoring Ms. Alice Kelly as the oldest citizen in Blythewood. The vote in favor was unanimous.

Sheriff Vehicle Sales – Mr. Jackson referred to the D&S Committee the issue of offering Sheriff's vehicles to other Richland County departments before they are put up for auction.

Audrey Hartin Resolution – Mr. McEachern moved, seconded by Mr. Pearce, to adopt a resolution for Ms. Audrey Hartin upon her retirement from the Sheriff's Department.

Overgrown Lots – Mr. McEachern referred to the committee the issue of overgrown lots and the possibility of using inmate labor to address the problem.

Sponsorship Requests – Mr. Pearce referred to the Rules & Appointment Committee a policy regarding how to handle requests for sponsorship. Until a policy has been put in place all requests are to be referred to the A&F Committee for approval.

07-32MA, Seven Acre Cut, LLC, Patrick Palmer, M-1 to GC (20.10 Acres), General Commercial, 14600-03-16(p), I-77 & Killian Road – Mr. Jackson moved, seconded by Mr. Jeter, to reconsider this item. The vote was in favor.

<u>In Favor</u>	<u>Oppose</u>	<u>Abstain</u>
Jackson	Pearce	Scott
Jeter	Malinowski	
Livingston	Hutchinson	
Dickerson	McEachern	
Montgomery		

A discussion took place regarding the vote. The vote was taken again for clarification.

<u>In Favor</u>	<u>Oppose</u>	<u>Abstain</u>
Jackson	Pearce	Scott
Jeter	Malinowski	
Livingston	Hutchinson	
Dickerson	McEachern	
Montgomery		

The vote was in favor for reconsideration.

Mr. Livingston moved, seconded by Ms. Dickerson, to approve this item.

<u>In Favor</u>	<u>Oppose</u>	<u>Abstain</u>
Jackson	Pearce	Scott
Jeter	Malinowski	
Livingston	Hutchinson	
Dickerson	McEachern	
Montgomery		

The vote was in favor.

ADJOURNMENT

The meeting adjourned at approximately 8:47 p.m.

Joseph McEachern, Chair

Valerie Hutchinson, Vice-Chair

Joyce Dickerson

Norman Jackson

Damon Jeter

Paul Livingston

Bill Malinowski

Mike Montgomery

L. Gregory Pearce, Jr.

**Richland County Council
Regular Session
Tuesday, July 10, 2007
Page Ten**

Bernice G. Scott

Kit Smith

The minutes were transcribed by Michelle M. Onley

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-07HR

ORDINANCE AUTHORIZING THE ISSUANCE AND SALE OF SPECIAL SOURCE REVENUE BONDS IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$1,000,000, WHICH BONDS SHALL BE PAYABLE SOLELY FROM FEE-IN-LIEU OF TAX REVENUES GENERATED FROM PROPERTIES LOCATED WITHIN THE I-77 CORRIDOR REGIONAL INDUSTRIAL PARK; THE PROCEEDS OF SUCH BONDS SHALL BE USED TO FINANCE THE ACQUISITION OF LAND AND THE CONSTRUCTION OF CERTAIN INFRASTRUCTURE IMPROVEMENTS THEREUPON IN THE NORTHPOINT INDUSTRIAL PARK.

WHEREAS, Richland County, South Carolina (the “County”), acting by and through its County Council (the “County Council”), is authorized and empowered under and pursuant to the provisions of the Constitution of the State of South Carolina of 1895, as amended (the “Constitution”); the Code of Laws of South Carolina 1976, as amended (the “Code”); and the case law of the Courts of the State of South Carolina, to offer and provide certain privileges, benefits, and incentives to prospective industries as inducements for economic development within the County; is authorized and empowered under and pursuant to the provisions of Article VIII, Section 13 of the South Carolina Constitution, in conjunction with other portions and provisions of Title 4 of the Code of Laws of South Carolina including, without limitation, Chapters 1 and 29, as amended (collectively the “Act”) to jointly develop an industrial or business park with other counties wherein the area comprising the parks and all property having a situs therein is exempt from all ad valorem taxation but, instead, pays fees in lieu of tax; and, to issue special source revenue bonds secured by such payments for the purpose of paying the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the issuer and for improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the issuer and costs of issuance of the bonds; and

WHEREAS, the County is contemplating purchasing certain acreage (the “Property”) owned by the Citadel Foundation and located in Northpoint Industrial Park (the “Park”) for a purchase price of \$987,000; and

WHEREAS, in addition to the purchase price of the Property, the County anticipates the cost of improving the Property, including clearing, providing roads, curbing, gutters, storm drainage and other like improvements will cost approximately \$900,000 (the “Improvements” and, together with the Property, the “Project”); and

WHEREAS, the County contemplates that upon completion of such land and infrastructure improvements, the Project can and will be used for further industrial development; and

WHEREAS, the County Council believes that the Project would directly and substantially benefit the general public welfare of the County by providing an area for future industrial

development and the creation of jobs and employment, the increase of *ad valorem* tax base, service, employment, recreation or other public benefits not otherwise provided locally; and, that the Project gives rise to no pecuniary liability of the County or a charge against the County's general credit or taxing power; and that the purposes to be accomplished by the Project, i.e. economic development, creation or retention of jobs, and addition to the tax base of the County, are proper governmental and public purposes and that the inducement of the location or expansion within the Park which is located in the County and State is of paramount importance to the County and that the Project's benefits to the County will be greater than the costs; and

WHEREAS, the County is authorized by Section 4-29-68 and Section 4-1-175 of the Code (the "Bond Act") to issue its special source revenue bonds, secured by and payable solely from revenues of the County from payments in lieu of taxes pursuant to Section 13(D), Article VIII of the Constitution, for the purpose of paying the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County and for improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the issuer and costs of issuance of the bonds; and

WHEREAS, the County proposes to issue its Special Source Revenue Bond Series 2007 (the "Bond") in the principal amount of not exceeding \$1,000,000 to defray the costs of acquiring, constructing, improving, or expanding the Project order to enhance the economic development of the issuer and costs of issuance of the bonds, as defined in Section 4-29-68(A)(2); and

WHEREAS, all properties located in the Park are also a part of the I-77 Corridor Regional Industrial Park, a Multi-County Joint Regional Industrial Park developed between the County and Fairfield County in an agreement dated on or about April 15, 2003, as amended (the "Master Park Agreement"); and

WHEREAS, pursuant to the provisions of the Master Park Agreement all taxpayers located within the Park make payments in lieu of taxes ("Fee Payments") to the County; and

WHEREAS, pursuant to the provisions of the Bond Act and the terms of the decision rendered by the South Carolina Supreme Court on September 4, 2001, in the case of *Horry County School District v. Horry County and the City of Myrtle Beach*, 346 S.C. 621, 552 S.E.2d 737 (2001) (the "Horry Decision"), the County Council is vested with the authority to exercise discretion over the distribution of FILOT payments received from properties located within a multi-county park, and such distribution is not required to be made in accordance with the pro-rata distribution scheme applied to normal *ad valorem* taxes.

SECTION 1. Authorization of the Project. In order to enhance the economic development of the County, the construction of the Project is hereby authorized, ratified, and approved.

SECTION 2. Authorization of Bonds; Details Thereof. Pursuant to the authority of the Bond Act, and for the purpose of defraying the cost of the Project, including capitalized interest thereon and necessary expenses incidental thereto, there is hereby authorized to be issued, and shall be issued, revenue bonds of the County in the principal amount of not exceeding \$1,000,000, to be

designated “Richland County, South Carolina, Special Source Revenue Bonds (Northpoint Industrial Park Project)” in one or more Series with such further and other designation as is deemed appropriate therefore. The Bonds shall be issuable in fully registered form without coupons. The Bonds shall be payable as to principal and interest, if any, in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of public and private debts. The County Administration is hereby authorized to arrange for the sale of the Bonds on such terms as are most advantageous to the County.

The Bonds shall be dated as of the first day of the month of their original delivery, bear interest at the rate of not greater than 7.0% per annum and mature not later than March 1, 2012.

SECTION 3. *Sources of Payment for Bonds; Pledge of Net FILOT Payments; Liability of County.* (a) The Bonds shall be payable from that portion of the fees in lieu of taxes payable to the County by the companies located in the Park remaining after payment by the County of the 1% MCIP revenue share with respect to the Project to Fairfield County and which have not otherwise been pledged by the County (the “Net FILOT Payments”). Pursuant to the Assignment, the County will irrevocably pledge to the Purchaser of the Bonds, among other things, the County’s right, title and interest in the Net FILOT Payments received by it as security for the Bonds; provided, however, that all Net FILOT Payments received in any year in excess of the payment due on the Bonds shall be retained by the County and applied as provided in the Master Agreement.

(b) The Bonds shall be limited obligations of the County, the principal and interest, if any, on which shall be payable solely from that portion of the Net FILOT Payments required under (a) above and such other amounts as are pledged therefore pursuant to the Assignment. The Bonds and the interest, if any, thereon are not secured by, or in any way entitled to, a pledge of the full faith, credit or taxing power of the County. The Bonds and the interest, if any, thereon shall never constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall be payable solely from the Net FILOT Payments and such other amounts as are pledged therefore pursuant to the Assignment and shall never constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers. The foregoing limitations shall be plainly stated on the face of the Bonds.

(c) Nothing in this Ordinance, the Master Agreement or the Richland MCIP Ordinance, shall be construed as an obligation or commitment by the County to expend any of its funds other than (i) the proceeds of the Bonds, (ii) the Net FILOT Payments, and (iii) any moneys arising out of the investment or reinvestment of said proceeds, revenues or moneys.

SECTION 4. *Execution of Bonds.* The Bonds shall be executed in the name of the County with the manual or facsimile signature of the Chairman of County Council, shall be attested by the manual or facsimile signature of the Clerk to County Council, and shall have the seal of the County Council impressed or imprinted thereon.

SECTION 5. *Form of Bonds.* The Bonds shall be in substantially the form set forth in the Exhibit A hereto, with necessary or appropriate variations, omissions and insertions as permitted or required hereby.

SECTION 6. *Conformity with Certain Acts.* The Bonds shall be issued in compliance with and under authority of the provisions of the Bond Act and this Ordinance.

SECTION 7. *Findings.* It is hereby found, determined and declared by County Council, as follows:

(a) The Project constitutes economic development improvements and/or infrastructure improvements as described in Section 4-29-68(A)(2) of the Bond Act, and the issuance of the Bonds in the principal amount of not to exceed \$1,000,000 to finance the Project and to pay capitalized interest on and costs of issuance of the Bonds, will serve to enhance the economic development of the County and in all respects conform to the provisions and requirements of the Bond Act;

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

(c) Adequate provision shall be made for the payment of the principal of and the interest, if any, on the Bonds and any necessary reserves therefore and other arrangements have been made to assure that moneys will be available for the operation, repair and maintenance of the Project at the expense of the County;

(d) Neither the Project, the Bonds proposed to be issued by the County to defray the costs thereof, nor any documents or agreements entered into by the County in connection therewith will constitute or give rise to any pecuniary liability of the County or a charge against its general credit or taxing power;

(e) The issuance of the Bonds by the County in the principal amount of not to exceed \$1,000,000 will be required to defray that portion of the cost of the Project, as well as capitalized interest on and costs of issuance of the Bonds, to be undertaken by the County; and

(f) The Project will be made available by the County upon the terms and conditions heretofore set forth herein and in the Bonds.

SECTION 8. *General Authorization for Certain Officials.* The County Administrator, the Chairman of County Council 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 to effect the execution and delivery of the Bonds and the performance of all obligations of the County under and pursuant to the Bonds.

SECTION 9. *Severability, Captions.* The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder. The captions,

section headings and table of contents are provided for convenience of reference and are not a part of this Ordinance.

SECTION 10. *General Repealer.* All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

SECTION 11. *Effectiveness.* This Ordinance is effective after third and final reading.

RICHLAND COUNTY COUNCIL

BY: _____
Joseph McEachern, Chair

ATTEST THIS THE _____ DAY

OF _____, 2007

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

(SEAL)

ATTEST:

Clerk to County Council
Richland County, South Carolina

First Reading: June 19, 2007
Public Hearing: July 10, 2007
Second Reading: July 10, 2007
Third Reading: July 24, 2007 (tentative)

EXHIBIT A

[Form of Special Source Revenue Bond]

This security has not been registered under the Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state ("blue sky laws"). The registered owner hereof, by purchasing this security, agrees that this security may be resold, pledged or otherwise transferred, only in compliance with Rule 144A under the Securities Act, to a person whom such registered owner believes is a qualified institutional buyer, within the meaning of said Rule 144A and as may be otherwise required to comply with applicable blue sky laws.

**STATE OF SOUTH CAROLINA
RICHLAND COUNTY
SPECIAL SOURCE REVENUE BOND
(NORTHPOINT INDUSTRIAL PARK PROJECT) SERIES 2007**

No. R-1

\$1,000,000

KNOW ALL MEN BY THESE PRESENTS that Richland County, South Carolina, a body politic and corporate, and a political subdivision of the State of South Carolina (the "County"), for value received, does promise to pay, but only from the sources and upon the terms hereinafter set forth, to [Purchaser], but authorized to and conducting business in the State of South Carolina (the "Purchaser"), or registered assigns (the "registered owner"), the principal sum of **ONE MILLION** (\$1,000,000) and interest accruing on said principal sum from the date of issuance at the rate of [] percent (.0%) per annum, until maturity or the payment of such principal sum, whichever occurs first. Payments of principal and accrued interest hereunder are due on March 1 of each year beginning March 1, 2008, and ending March 1, 2012 (the "Bond Payment Dates"), unless sooner paid in full. On each Bond Payment Date, so much of the Net FILOT Revenues (hereinafter defined) attributable to the assets, both real and personal, located in the Northpoint Industrial Park (hereinafter defined) (the "SSRB Assets") as necessary shall be applied, first, to the amount of interest then due and payable and, second, to the outstanding principal payable hereunder.

In the event that any payment date hereunder shall fall on a Saturday, Sunday or banking holiday in the State of South Carolina (the "State"), then payment shall be made on the next business day.

This Bond is issued pursuant to and in accordance with Title 4, Chapters 1 and 29, Code of Laws of South Carolina 1976, as amended (collectively, the "Act") and an Ordinance of the County Council of Richland County, South Carolina (the "County Council") with respect hereto enacted on ___, 2007 (the "Bond Ordinance"), for the purpose of defraying the cost of the Project.

Interest on this Bond is payable by check or draft or wire transfer of collected funds of the United States of America, which at the respective times of payment is legal tender for the payment of public and private debts. The final installment of the principal of and interest on this Bond shall be paid upon presentation and surrender hereof to the County. All other installments of principal and interest hereon shall be paid by check or draft (via first class mail) or wire transfer of collected funds to the registered owner at its orders last appearing on the Bond Register (hereinafter defined).

As prescribed by the Bond Ordinance, the sole source of payments on this Bond shall be the fee-in-lieu of taxes payable by the companies located in the Park to the County, as provided in the agreement entitled "Master Agreement Governing the I-77 Corridor Regional Industrial Park" (the "Master Agreement"), dated as of April 15, 2003, as from time to time amended (the "Master Agreement"), between the County and Fairfield County, which remain following the payment of the prescribed share of the FILOT to Fairfield County pursuant to the Master Agreement (the "Net FILOT Revenues"). Pursuant to the Bond Ordinance, for security of the payment of this Bond, the County has irrevocably pledged to the registered owner hereof, among other things, the Net FILOT Revenues received by the County; provided, however, that all Net FILOT Revenues received by it in any year in excess of the amounts payable on the Bonds in that year shall be retained by the County and applied as provided in the Master Agreement.

By its purchase of this Bond, the registered owner assents to and takes its interest in this Bond subject to the terms of the Bond Ordinance. In this respect, the Bond Ordinance may not be amended without the prior written consent of the registered owner.

This Bond is secured by and payable solely from the Net FILOT Payments and certain other amounts pledged herefore under the Assignment. THIS BOND AND THE INTEREST HEREON IS NOT SECURED BY, OR IN ANY WAY ENTITLED TO, A PLEDGE OF THE FULL FAITH, CREDIT OR TAXING POWER OF THE COUNTY. THIS BOND AND THE INTEREST, IF ANY, HEREON SHALL NEVER CONSTITUTE AN INDEBTEDNESS OF THE COUNTY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND SHALL BE PAYABLE SOLELY FROM THE NET FILOT PAYMENTS AND CERTAIN OTHER AMOUNTS PLEDGED UNDER THE ASSIGNMENT AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWERS.

Copies of the Bond Ordinance, the MCIP Master Agreement and the MCIP Ordinance are on file with the Clerk of Court for Richland County, South Carolina. Reference is made to this Agreement and these Ordinances for a description of certain obligations of the County and the Purchaser hereunder.

This bond is registered in the name of the Purchaser on a registration book (the "Bond Register") kept by the Treasurer of Richland County as bond registrar, and no transfer hereof shall be valid unless made on said registration book at the written request of the Purchaser.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and for the execution and delivery of this Bond, do exist, have happened and have been performed in due time, form and manner as required by law; and that the issuance of this bond, together with all other obligations of the County, does not exceed or violate any constitutional or statutory limitation.

IN WITNESS WHEREOF, RICHLAND COUNTY, SOUTH CAROLINA, has caused this bond to be duly executed, sealed and delivered as of the ____ day of _____ 2007.

RICHLAND COUNTY, SOUTH CAROLINA

County Administrator
Richland County, South Carolina

STATE OF SOUTH CAROLINA)
)
 COUNTY OF RICHLAND)

I, the undersigned, Clerk to the County Council (the "County Council") of Richland County (the "County"), **DO HEREBY CERTIFY:**

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance adopted by the County Council. The Ordinance was read and received a favorable vote at three public meetings of the County Council on three separate days. At least one day passed between first and second reading and at least seven days between second and third reading. At each meeting, a quorum of the County Council was present and remained present throughout the meeting.

The Ordinance is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my Hand this ____ day of ____ 2007.

RICHLAND COUNTY, SOUTH CAROLINA

 Clerk to County Council
 Richland County, South Carolina

STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF RICHLAND COUNTY
ORDINANCE NO. ____-07HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, AMENDING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTIES DESCRIBED AS TMS # 20500-06-22, 23400-05-05, 08100-02-05, 08000-02-07, AND 08000-02-12 FROM RU (RURAL DISTRICTS) TO TROS (TRADITIONAL RECREATION OPEN SPACE DISTRICTS); AND TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTIES DESCRIBED AS TMS # 16704-03-01, 20010-01-05, 22716-01-01, 20406-02-01, 20406-02-02, AND 25703-01-01 FROM RS-LD (RESIDENTIAL, SINGLE-FAMILY – LOW DENSITY DISTRICTS) TO TROS (TRADITIONAL RECREATION OPEN SPACE DISTRICTS); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

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

Section I. The Zoning Map of unincorporated Richland County is hereby amended to change the real properties described as TMS # 20500-06-22, 23400-05-05, 08100-02-05, 08000-02-07, and 08000-02-12, from RU (Rural District) zoning to TROS (Traditional Recreation Open Space District) zoning.

Section II. The Zoning Map of unincorporated Richland County is hereby amended to change the real properties described as TMS # 16704-03-01, 20010-01-05, 22716-01-01, 20406-02-01, 20406-02-02, and 25703-01-01 from RS-LD (Residential, Single-Family – Low Density District) zoning to TROS (Traditional Recreation Open Space District) zoning.

Section III. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional, or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section IV. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section V. This ordinance shall be effective from and after _____, 2007.

RICHLAND COUNTY COUNCIL

By: _____
Joseph McEachern, Chair

Attest this _____ day of
_____, 2007.

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

Public Hearing: June 26, 2007
First Reading: June 26, 2007
Second Reading: July 10, 2007
Third Reading: July 24, 2007 (tentative)

STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF RICHLAND COUNTY
ORDINANCE NO. ____-07HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, AMENDING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTY DESCRIBED AS A PORTION OF TMS # 11100-01-10 FROM RU (RURAL DISTRICT) TO RM-HD (RESIDENTIAL MULTI-FAMILY HIGH DENSITY DISTRICT); AND TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTY DESCRIBED AS TMS # 11115-06-02 FROM M-1 (LIGHT INDUSTRIAL DISTRICT) TO RM-HD (RESIDENTIAL MULTI-FAMILY HIGH DENSITY DISTRICT); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

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

Section I. The Zoning Map of unincorporated Richland County is hereby amended to change the real property described as a portion of TMS # 11100-01-10 (described in Exhibit A, which is attached hereto) from RU (Rural District) zoning to RM-HD (Residential Multi-Family High Density District) zoning.

Section II. The Zoning Map of unincorporated Richland County is hereby amended to change the real property described as TMS # 11115-06-02 from M-1 (Light Industrial District) zoning to RM-HD (Residential Multi-Family High Density District) zoning.

Section III. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional, or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section IV. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section V. This ordinance shall be effective from and after _____, 2007.

RICHLAND COUNTY COUNCIL

By: _____
Joseph McEachern, Chair

Attest this _____ day of
_____, 2007.

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

Public Hearing: June 26, 2007
First Reading: June 26, 2007
Second Reading: July 10, 2007
Third Reading: July 24, 2007 (tentative)

Exhibit A
Legal Description

9.25 Acre Tract

All that tract of land lying and being in the county of Richland, State of South Carolina, and described as Williams & Associates on a survey by Survey and Mapping Services of South Carolina, Inc., dated April 24, 2007. More particularly described as follows:

Beginning at the southwestern right-of-way intersection of SC Route 48 and Blair Road at a point, thence S40°53'17"E 199.89 feet to an iron pin found, which is point of beginning for said survey; thence S40°54'55"E 358.49 feet to an iron pin found; thence S30°55'51"W 417.37 feet to an iron pin found; thence S40°45'16"E 220.05 feet to an iron pin found; thence S30°11'39"W 45.11 feet to an iron pin found; thence S30°54'09"W 150.50 feet to an iron pin found; thence N36°41'40"W 107.94 feet to an iron pin found; thence S30°42'52"W 108.01 feet to an iron pin found; thence N36°49'32"W 804.38 feet to an iron pin found; thence N40°27'52"E 402.06 feet to an iron pin set; thence S40°53'36"E 199.88 feet to an iron pin found; thence N40°26'56"E 255.17 feet back to point of beginning.

STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF RICHLAND COUNTY
ORDINANCE NO. ____-07HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, AMENDING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTY DESCRIBED AS A PORTION OF TMS # 14600-03-16 FROM M-1 (LIGHT INDUSTRIAL DISTRICT) TO GC (GENERAL COMMERCIAL DISTRICT); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

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

Section I. The Zoning Map of unincorporated Richland County is hereby amended to change the real property described as a portion of TMS#14600-03-16 (described in Exhibit A, which is attached hereto), from M-1 (Light Industrial District) zoning to GC (General Commercial District) zoning.

Section II. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional, or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section III. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section IV. This ordinance shall be effective from and after _____, 2007.

RICHLAND COUNTY COUNCIL

By: _____
Joseph McEachern, Chair

Attest this _____ day of
_____, 2007.

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

Public Hearing: June 26, 2007
First Reading: June 26, 2007
Second Reading: July 10, 2007
Third Reading: July 24, 2007 (tentative)

Exhibit A
Legal Description

STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF RICHLAND COUNTY
ORDINANCE NO. ____-07HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, AMENDING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTY DESCRIBED AS TMS # 28800-04-05 FROM RU (RURAL DISTRICT) TO GC (GENERAL COMMERCIAL DISTRICT); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

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

Section I. The Zoning Map of unincorporated Richland County is hereby amended to change the real property described as TMS#28800-04-05, from RU (Rural District) zoning to GC (General Commercial District) zoning.

Section II. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional, or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section III. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section IV. This ordinance shall be effective from and after _____, 2007.

RICHLAND COUNTY COUNCIL

By: _____
Joseph McEachern, Chair

Attest this _____ day of
_____, 2007.

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

Public Hearing: June 26, 2007
First Reading: June 26, 2007
Second Reading: July 10, 2007
Third Reading: July 24, 2007 (tentative)

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-07HR

AN ORDINANCE PROVIDING FOR ENTERING INTO OF A TAX-EXEMPT LEASE PURCHASE TRANSACTION OF NOT EXCEEDING \$3,800,000 AND A SUBLEASE WITH ALLEN UNIVERSITY, TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED, TO PROVIDE FOR THE PAYMENT THEREOF, AND OTHER MATTERS PERTAINING THERETO.

WHEREAS, Richland County, South Carolina (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, is empowered under the Code of Laws of South Carolina 1976, as amended (the "Code"), and in particular, Title 48, Chapter 52, Section 660 (the "Performance Contracting Act") to enter into lease purchase arrangements with vendors of energy efficiency products, which lease purchase arrangements, under provisions of Title 11, Chapter 27, Section 110 (the "Lease Purchase Act" and, together with the Performance Contracting Act, the "Act"), do not count against the County's constitutional debt limit; and the County is further empowered under Title 4, Chapter 9, Sections 25 and 30, to make and execute contracts in furtherance of the counties powers to act regarding any subject that appears to the County to affect the general welfare of the county, which power is to be liberally construed in favor of the County ; and

WHEREAS, Honeywell is a vendor of energy efficiency products and has contracted with Allen University, a historically black college located in the County ("Allen"), to provide energy efficiency equipment to upgrade the HVAC systems on the Allen campus (the "Equipment"). Under the terms of the arrangement with Honeywell, the energy cost savings resulting from the installation of the Equipment are to be sufficient to pay for the costs of the Equipment; and

WHEREAS, Allen initially financed the purchase of the Equipment using conventional commercial financing, and has now approached the County with a request that the County utilize the powers granted under Act to refinance the Equipment on a tax-exempt basis through the entering into of a tax-exempt lease purchase transaction (the "Equipment Refinancing") in an amount not to exceed \$3,800,000 with Honeywell Global Finance, LLC ("HGF"), and then sublease the Equipment to Allen, thereby allowing Allen to save approximately \$500,000 over the term of the Equipment Refinancing; and

WHEREAS, the Equipment Refinancing will be accomplished under the terms of the Master Lease and Sublease Agreement between the County and HGF (the "Master Lease"). The County's obligation to make payments under the Master Lease shall be a limited obligation payable solely from the payments received by the County from Allen under the terms of a Sublease agreement (the "Sublease") between the County and Allen; and

WHEREAS, the County will have no other financial obligation with respect to the Master Lease and this arrangement will not impact the County's debt capacity or cause the County to incur financial liability.

NOW, THEREFORE, be it ordained by the County Council of Richland County, South Carolina, in meeting duly assembled, as follows:

Section 1. The Council's Chairman, Vice-Chairman and Clerk to Council are hereby authorized on behalf of the County to execute and deliver the Master Lease attached hereto and all ancillary

documents necessary to effectuate the Equipment Refinancing, the terms of which shall be reviewed and approved by the County Attorney or outside legal counsel.

Section 2. If any portion of this Ordinance shall be deemed unlawful, unconstitutional or otherwise invalid, the validity and binding effect of the remaining portions shall not be affected thereby.

Section 3. Any prior Ordinance, the terms of which are in conflict herewith, is, only to the extent of such conflict, hereby repealed.

Section 4. This Ordinance shall be effective after third and final reading.

RICHLAND COUNTY, SOUTH CAROLINA

Joseph McEachern, Chairman, County Council
Richland County, South Carolina

(SEAL)

ATTEST:

Michielle Cannon-Finch, Clerk to
County Council, Richland County,
South Carolina

RICHLAND COUNTY ATTORNEY'S OFFICE

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

First Reading: June 5, 2007
Second Reading: June 19, 2007 (tentative)
Public Hearing: _____
Third Reading: _____

4~

MASTER LEASE AND SUBLEASE AGREEMENT

Among

HONEYWELL GLOBAL FINANCE LLC
as Lessor

And

[NAME OF LESSEE],
as Lessee

And

[NAME OF SUBLESSEE],
as Sublessee

Dated as of [Date of Master Lease and Sublease Agreement]

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EXHIBIT A - Form of Schedule for Lease with One Dollar End of Term Purchase
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MASTER LEASE AND SUBLEASE AGREEMENT

Lessor: **Honeywell Global Finance LLC**
101 Columbia Road
Morristown, New Jersey 07962
Attention: _____
Telephone: (973) 455-4689
Telecopier: (973) ____-____

Lessee: **[Name of Lessee]**

Attention: _____
Telephone: _____
Telecopier: _____

Sublessee: **[Name of Sublessee]**

Attention: _____
Telephone: _____
Telecopier: _____

THIS MASTER LEASE AND SUBLEASE AGREEMENT dated as of [Date of Master Lease and Sublease Agreement] (the "Master Lease and Sublease Agreement"), among Honeywell Global Finance LLC, a Delaware limited liability company ("Lessor"), [Name of Lessee], a _____ constituting a body corporate and politic duly organized and validly existing under the laws of the State (defined below) ("Lessee"), and [Name of Sublessee], a nonprofit corporation existing under the laws of the State of _____ ("Sublessee").

RECITALS:

1. Lessee is authorized and empowered under the laws of the State of _____ (the "State") to enter into leases and subleases to provide facilities to finance or refinance the cost of projects, including major medical equipment, vehicles and other equipment or systems, all in furtherance of its public purposes [**Revise as appropriate**].
2. All capitalized terms appearing in these Recitals are used with the meanings indicated in **Article I**.
3. Sublessee is a nonprofit corporation established for the purpose of providing health care services, is an organization described in Section 501(c)(3) of the Code and is authorized to lease, sublease, purchase and hold real and personal property and borrow money to finance or refinance the same.

4. Sublessee desires to finance or refinance the acquisition of Equipment from Vendors from time to time on the terms and conditions set forth below, which Equipment shall be specifically identified in the Schedule or Schedules.

5. In order to finance or refinance the costs of the Equipment under a Schedule, Lessee will lease that Equipment from Lessor and sublease that Equipment to Sublessee and provide the proceeds thereof to pay Acquisition Costs pursuant to the terms of this Master Lease and Sublease Agreement. To secure payment of the Lease Payments under each Agreement, Lessee will assign to Lessor its right to receive Sublease Payments and any Prepayment Price from Sublessee, all of its rights under each Agreement (other than Lessee's Reserved Rights) and all of its rights and interest in and to the Equipment.

6. Sublessee shall pay Sublease Payments and any Prepayment Price directly to Lessor as assignee of Lessee.

7. This Master Lease and Sublease Agreement, each Agreement and the Lease Payments shall not constitute a general debt or liability or moral obligation of the State, Lessee or any political subdivision of the State, or a pledge of the faith and credit or taxing power of the State, or Lessee, or any political subdivision of the State, but shall be a special obligation payable solely from the Sublease Payments and other amounts payable under this Master Lease and Sublease Agreement and the Agreements by Sublessee to Lessor, as assignee of Lessee.

8. As security for the payment of all of Sublessee's obligations under each Agreement, Sublessee shall grant to Lessor a first priority perfected security interest in the Equipment and/or such other security interest as may be required by Lessor.

NOW, THEREFORE, in consideration of the payments to be made hereunder and the mutual covenants contained herein, the parties agree as follows (provided that in the performance of the agreements of Lessee herein contained, any obligation it may incur for the payment of money shall not subject Lessee to any pecuniary or other liability or create a debt of the State or of any political subdivision thereof, and neither the State nor any political subdivision thereof shall be liable on any obligation so incurred, but any such obligation shall be payable solely out of the Sublease Payments payable by Sublessee under this Master Lease and Sublease Agreement):

ARTICLE I DEFINITIONS

The following terms used herein will have the meanings indicated below unless the context clearly requires otherwise.

"Acquisition Costs" means, with respect to any Agreement, the amount paid or to be paid to the Vendor(s) for any portion of the Equipment subject to that Agreement and upon Sublessee's acceptance thereof, including reasonable administrative, engineering, legal and other costs incurred by Lessor, Lessee, Sublessee and Vendor(s) in connection with the acquisition and installation (which may include minor renovations to buildings related to the Equipment, but shall not include substantial structural changes similar to new construction unless contemplated by a particular Schedule or approved in writing by Lessor), all of which shall have been approved by Lessor in its sole discretion.

"Act" means _____

"Additional Payments" means the amounts, other than Sublease Payments, payable by Sublessee pursuant to the provisions of each Agreement, including Sections 6.06, 6.13 and 10.04 of this Master Lease and Sublease Agreement.

"Agreement" means each Schedule under and incorporating the terms of this Master Lease and Sublease Agreement, as the same may be amended or modified from time to time, which Schedule shall constitute a fully integrated transaction existing in accordance with its own terms and conditions separate from and independent of all other transactions pursuant to this Master Lease and Sublease Agreement.

"Ancillary Document Forms Package" means the Ancillary Document Forms Package dated the date hereof containing forms of an Escrow Agreement, a Tax Compliance Agreement and various certificates, opinions and other documents related to an Agreement, which Ancillary Document Forms Package is hereby incorporated herein by reference.

"Annual Administrative Fee" means, with respect to any Agreement, the fees and expenses payable to the Lessee pursuant to Section 3.09 (other than the Initial Administrative Fee), and the annual fee, if any, for the general administrative services of Lessee in the amount set forth in such Agreement.

"Business Day" means a day other than a Saturday or Sunday on which banks are generally open for business in New York, New York, and the State.

"Certificate of Acceptance" means a Certificate of Acceptance in substantially the form set forth as Exhibit B hereto executed by Sublessee.

"Closing" means, with respect to each Agreement, the date of delivery of all executed documents related to that Agreement as required under this Master Lease and Sublease Agreement and that Agreement.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Default" means an event that, with giving of notice or passage of time or both, would constitute an Event of Default as provided in Article IX.

"Determination of Taxability" means, with respect to any Agreement, any determination, decision, decree or advisement by the Commissioner of Internal Revenue, or any District Director of Internal Revenue or any court of competent jurisdiction, or an opinion obtained by Lessor, of counsel qualified in such matters, that an Event of Taxability with respect to that Agreement shall have occurred. A Determination of Taxability, with respect to any Agreement, also shall be deemed to have occurred on the first to occur of the following:

- (a) the date when Sublessee files any statement, supplemental statement, or other tax schedule, return or document, which discloses that an Event of Taxability with respect to that Agreement shall have occurred;

(b) the effective date of any federal legislation enacted or federal rule or regulation promulgated after the date of this Master Lease and Sublease Agreement that causes an Event of Taxability with respect to that Agreement; or

(c) if upon sale, lease or other deliberate action within the meaning of Treas. Reg. §1.141-2(d), the failure to receive an unqualified opinion of Special Tax Counsel to the effect that such action will not cause interest components of the Lease Payments under that Agreement to become includable in the gross income of the recipient.

"Equipment" means the property to be used in connection with Sublessee's health care operations, which property shall be identified in a Schedule executed by Lessee and Sublessee, accepted by Lessor in writing and identified as part of an Agreement (including, to the extent permitted pursuant to the Code without jeopardizing the tax-exempt status of the interest components of the Lease Payments, certain items originally financed through temporary borrowings or internal advances of Sublessee in anticipation of obtaining permanent financing through Lessee).

"Escrow Agent" means the escrow agent under an Escrow Agreement, and its successors and assigns permitted pursuant to the terms of the Escrow Agreement.

"Escrow Agreement" means an Escrow Agreement among Lessor, Lessee, Sublessee and Escrow Agent relating to the disbursement of proceeds of an Agreement.

"Escrow Fund" means the fund established and held by Escrow Agent pursuant to an Escrow Agreement.

"Event of Default" shall have the meaning set forth in **Section 9.01**.

"Event of Taxability" means, with respect to any Agreement: (i) the application of the proceeds of that Agreement in such manner that that Agreement becomes an "arbitrage bond" within the meaning of Code Sections 103(b)(2) and 148, and with the result that interest on that Agreement is or becomes includable in a holder's gross income (as defined in Code Section 61); (ii) if as the result of any act, failure to act or use of the proceeds of that Agreement or any misrepresentation or inaccuracy in any of the representations, warranties or covenants contained in that Agreement or the related Tax Compliance Agreement by Lessee or Sublessee or the enactment of any federal legislation or the promulgation of any federal rule or regulation after the date of that Agreement, the interest components of the Lease Payments under that Agreement are or become includable in a holder's gross income (as defined in Code Section 61 or as defined in any similar applicable state tax law or regulation); or (iii) any revocation of the determination letter from the Internal Revenue Service regarding status of Sublessee as a 501(c)(3) corporation.

"Gross-Up Rate" means, with respect to any Agreement, an interest rate equal to the interest stated for any Agreement (without regard to **Section 3.03(b)**) plus a rate sufficient such that the total interest components of the Lease Payments under that Agreement to be paid on any payment date would, after such interest component was reduced by the amount of any federal, state or local income tax (including any interest or penalties) imposed thereon computed at the highest rate then applicable to corporations, equal the amount of that interest component due (calculated without regard to **Section 3.03(b)**).

"Initial Administrative Fee" means, with respect to any Agreement, the fee, if any, payable to Lessee upon the execution of such Agreement for Lessee's services in connection with the preparation, review and execution of such Agreement.

"Issuance Costs" means, with respect to any Agreement, the costs of executing and delivering that Agreement, including without limitation the fees and expenses of financial consultants or placement agents, counsel to Sublessee, Lessee or Lessor, Special Tax Counsel and Escrow Agent, any publication, filing, recording or similar fees or taxes and any expenses of Sublessee in connection with execution and delivering the Agreement.

"Lease Payments" means those scheduled lease payments, as specifically set forth in the applicable Schedule, payable by Lessee to Lessor pursuant to the provisions of the applicable Agreement, but only from amounts paid by Sublessee pursuant to that Agreement.

"Lessee" means (i) the entity identified above as such in the first paragraph of this Master Lease and Sublease Agreement; (ii) any surviving, resulting or transferee entity thereof permitted pursuant to the terms of this Master Lease and Sublease Agreement; and (iii) except where the context requires otherwise, any assignee(s) of Lessee permitted pursuant to the terms of this Master Lease and Sublease Agreement.

"Lessee's Reserved Rights" means, collectively (i) the right of Lessee in its own behalf to receive all opinions of counsel, reports, financial statements, certificates, insurance policies, binders or certificates, or other notices or communications required to be delivered to Lessee under any Agreement; (ii) the right of Lessee to grant or withhold any consents or approvals under **Sections 6.07(b), 9.01(d) and 10.08**; (iii) the right of Lessee in its own behalf to enforce, receive amounts payable to Lessee under or otherwise exercise its rights under **Sections 2.02, 3.09, 6.01, 6.02, 6.03, 6.05, 6.13, 6.14, 9.02, 9.04, 9.05, 9.06, 10.01, 10.03, 10.08, 10.11 and 10.15**; and (iv) the right of Lessee in its own behalf to declare an Event of Default with respect to any of Lessee's Reserved Rights.

"Lessor" means (i) Honeywell Global Finance LLC and any surviving, resulting or transferee limited liability company of Honeywell Global Finance LLC; or (ii) if this Master Lease and Sublease Agreement has been assigned by Lessor pursuant to **Section 8.01**, such assignee to the extent of the assignment, or (iii) if an Agreement has been assigned by Lessor pursuant to **Section 8.01**, then such assignee shall be considered the Lessor with respect to that Agreement to the extent of the assignment.

"Master Lease and Sublease Agreement" means this Master Lease and Sublease Agreement, including the Exhibits hereto, as any of the same may be supplemented or amended from time to time in accordance with the terms hereof.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof or other entity.

"Prepayment Price" means the amount which Sublessee may or must from time to time pay or cause to be paid to Lessor in order to prepay its obligation to pay the Sublease Payments and Purchase Option Amount, if any, under an Agreement, as provided in **Section 3.07**, such amount being set forth in the Schedule comprising a part of such Agreement and including a premium for the privilege of

prepayment, plus any and all other amounts, including any Sublease Payments, due and unpaid under such Agreement by Sublessee.

"Prior Interest Payment" means a payment of interest components of Lease Payments made on or prior to the date of any Determination of Taxability or call date under **Section 3.07(d)**, if later.

"Purchase Agreements" means each of the purchase agreements between Sublessee and each Vendor of the Equipment.

"Purchase Option Amount" means the amount specified as such in any Schedule substantially in the form of **Exhibit B** (Schedule for Lease with Return, Purchase and Extension Options).

"Schedule" means, with respect to the financing of any Equipment under this Master Lease and Sublease Agreement, a Schedule in substantially the form set forth as **Exhibit A** or **B** hereto, which has been executed by Lessor, Lessee and Sublessee, reasonably identifies the Equipment subject to such Schedule, sets forth the Sublease Payments and Prepayment Prices payable in respect thereof, and certain other matters and incorporates this Master Lease and Sublease Agreement. Schedules shall be numbered consecutively beginning with "1." No single Schedule may be in an amount less than \$100,000.

"Special Tax Counsel" means an attorney or firm of attorneys nationally recognized on the subject of municipal bonds and acceptable to Lessee and Lessor.

"State" means the State of _____.

"Sublease Payments" means those scheduled sublease payments (excluding, administrative fees, indemnifications and reimbursements and Additional Payments payable to Lessor and Lessee hereunder), as specifically set forth in the applicable Schedule, payable by Sublessee pursuant to the provisions of each Agreement. Sublease Payments shall be payable by Sublessee directly to Lessor as assignee of Lessee in the amounts and at the times as set forth in the applicable Agreement.

"Sublessee" means (i) the entity identified above as such in the first paragraph of this Master Lease and Sublease Agreement; and (ii) any surviving, resulting or transferee entity thereof permitted pursuant to the terms of this Master Lease and Sublease Agreement.

"Tax-Exempt Organization" means a Person organized under the laws of the United States of America or any state thereof which is an organization described in Section 501(c)(3) of the Code and exempt from federal income taxes under Section 501(a) of the Code or corresponding provisions of federal income tax laws from time to time in effect.

"Tax Compliance Agreement" means a Tax Compliance Agreement dated the date of the execution and delivery of a Schedule, executed by Lessee, Sublessee, Escrow Agent, if any, and Lessor, including all amendments thereto.

"UCC" means the Uniform Commercial Code as adopted in the State.

"Vendor" means the manufacturer of an item of Equipment, as well as the agents or dealers of the manufacturer, or other seller of the Equipment.

ARTICLE II
REPRESENTATIONS, WARRANTIES AND COVENANTS
OF LESSEE AND SUBLESSEE

Section 2.01. Representations, Warranties and Covenants of Lessee. Lessee represents, warrants and covenants, for the benefit of Lessor and Sublessee, as follows:

(a) Lessee is, and will preserve and keep in full force and effect its existence as, a corporate governmental agency constituting a body corporate and politic and a public benefit corporation duly created and validly existing under the laws of the State;

(b) Lessee is authorized under the laws of the State, including, particularly, the Act, to enter into this Master Lease and Sublease Agreement and the Schedules and the transactions contemplated hereby and thereby and to perform all of its obligations hereunder and thereunder;

(c) Lessee has duly authorized the execution and delivery of this Master Lease and Sublease Agreement and any related documents that name Lessee as a party, and will be fully authorized to execute and deliver each Schedule and any related documents that name Lessee as a party prior to their execution and delivery under an appropriate resolution or resolutions of its governing body or by other appropriate official approval; all requirements have been met and procedures have occurred (including, without limitation, public bidding and open meeting requirements, if any) in order to ensure the enforceability of this Master Lease and Sublease Agreement and any related documents that name Lessee as a party, and all procedures will be met and procedures will have occurred in order to ensure the enforceability of each Agreement and any related documents that name Lessee as a party prior to their execution and delivery, against Lessee; Lessee has assigned to Lessor all of Lessee's rights in this Master Lease and Sublease Agreement and each Agreement (except for the Lessee's Reserved Rights); and this Master Lease and Sublease Agreement and any related documents that name Lessee as a party, constitute, and each Schedule and the resulting Agreement and any related documents that name Lessee as a party upon their execution and delivery by Lessee will constitute, legal, valid and binding obligations of Lessee, enforceable against Lessee in accordance with their respective terms, except to the extent limited by bankruptcy, reorganization or other laws of general application relating to effecting the enforcement of creditors' rights and principles of equity;

(d) None of the execution and delivery of this Master Lease and Sublease Agreement, any Schedule or any related document that names Lessee as a party, the consummation by Lessee of the transactions contemplated hereby or the fulfillment by Lessee of or compliance by Lessee with the terms and conditions of this Master Lease and Sublease Agreement, any Schedule or any related document that names Lessee as a party violates any law, rule, regulation or order applicable to Lessee, conflicts with or results in a breach by Lessee of any of the terms, conditions or provisions of any restriction or any agreement or instrument that names Lessee as a party or by which it is bound or constitutes a default under any of the foregoing or results in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Lessee under the terms of any instrument or agreement;

(e) There is no action, suit, proceeding, claim, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of Lessee's knowledge, threatened against or affecting Lessee, challenging Lessee's authority to enter into this Master Lease and Sublease Agreement, any Schedule or any related document or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability against Lessee of this Master Lease and Sublease Agreement, any Agreement or any related document that names Lessee as a party or any other transaction of Lessee which is similar hereto, or the exclusion of the interest component of any Lease Payment from gross income for federal tax purposes under the Code, or would materially and adversely affect any of the transactions contemplated by this Master Lease and Sublease Agreement, any Agreement or any related document that names Lessee as a party;

(f) Lessee will not pledge, mortgage or assign this Master Lease and Sublease Agreement or any Agreement or its duties and obligations hereunder or thereunder to any Person, except to Lessor as provided under the terms hereof;

(g) The financing of the Equipment has been approved by the "applicable elected representative" (as defined in Section 147(f) of the Code) of Lessee after a public hearing held upon reasonable notice.

(h) Lessee will not take any action that would cause the interest component of any Lease Payment to be includable in gross income of the recipient for federal income tax purposes under the Code and/or for state income taxes under any applicable state or local tax law or regulation, and, at the request of Special Tax Counsel, Sublessee or Lessor, Lessee, at the expense of Sublessee, will take and will cause its officers, directors, employees and agents to take all reasonable affirmative actions legally within its powers necessary to ensure that the interest component of all Lease Payments does not become includable in gross income of the recipient for federal income tax purposes under the Code or for state or local income tax purposes under any applicable state or local tax law or regulation; provided, however, Lessee shall have no pecuniary liability under this **Subsection (h)** and shall only be subject to the remedy of specific performance.

Section 2.02. Representations, Warranties and Covenants of Sublessee. Sublessee represents, warrants and covenants, for the benefit of Lessor and Lessee as follows:

(a) Sublessee is, and so long as any Agreement exists, shall continue to be, (i) a nonprofit corporation, duly organized and existing under the laws of the State for the purpose of providing health care services; (ii) a Tax-Exempt Organization; and (iii) authorized to lease, sublease, purchase and hold real and personal property and finance or refinance the same;

(b) Sublessee shall do or cause to be done all things necessary to preserve and keep in full force and effect its existence and status as a Tax-Exempt Organization;

(c) Sublessee (i) is a Tax-Exempt Organization; (ii) has received a ruling letter or determination from the Internal Revenue Service to that effect, and such letter or determination has not been modified, limited or revoked; (iii) is in compliance with all terms, conditions and limitations, if any, contained in or forming the basis of such letter or determination, and the facts and circumstances which form the basis of such letter of determination continue substantially to

exist as represented to the Internal Revenue Service; and (iv) is exempt from federal income taxes under Section 501(a) of the Code and is in compliance with the provisions of the Code and any applicable regulations thereunder necessary to maintain such status;

(d) Sublessee (i) will not perform any acts, enter into any agreements, carry on or permit to be carried on with respect to the Equipment, or permit the Equipment to be used in or for any trade or business, which shall adversely affect the basis for its exemption under Section 501 of such Code; (ii) will not use more than 3% of the proceeds of any Agreement or permit the same to be used, directly or indirectly, in any trade or business carried on by any person or persons who are not governmental units or Tax-Exempt Organizations or in an unrelated trade or business of any Tax-Exempt Organization; (iii) will not directly or indirectly use the proceeds of any Agreement to make or finance loans to persons other than governmental units or Tax-Exempt Organizations; (iv) will not take any action or permit any circumstances within its control to arise or continue, if such action or circumstances, or its expectation on the date of issue of any Agreement, would cause such Agreement to be an "arbitrage bond" under the Code or cause the interest component of any Lease Payment to be subject to federal, state or local income tax in the hands of the Lessor, and (v) will, to the extent within its power to do so, use its best efforts to maintain the tax-exempt status of the interest components of the Lease Payments;

(e) Sublessee is authorized under the laws of the State and its articles of incorporation and bylaws to enter into this Master Lease and Sublease Agreement and each Agreement and the transactions contemplated hereby and thereby and to perform all of its obligations hereunder and thereunder;

(f) Sublessee has executed and delivered, and taken all corporate action necessary to authorize the execution and delivery of this Master Lease and Sublease Agreement and any related documents that name Sublessee as a party, and at the time each Schedule is executed will have taken all corporate action necessary to authorize the execution and delivery of each Schedule and any related documents that name Sublessee as a party; all requirements have been met and all procedures have taken place in order to ensure the enforceability of this Master Lease and Sublease Agreement and any related documents that name Sublessee as a party, and all procedures will be met and procedures will have occurred in order to ensure the enforceability of each Agreement and any related documents that name Sublessee as a party, against Sublessee in accordance with their respective terms, except to the extent limited by bankruptcy, reorganization or other laws of general application, and principles of equity, relating to or affecting the enforcement of creditors' rights generally. Sublessee has complied with all certificate of need requirements, if any, with respect to this Master Lease and Sublease Agreement and any related documents, and will comply with all certificate of need requirements, if any, with respect to each Agreement and any related documents, including the leasing, acquisition or financing of the Equipment hereunder; this Master Lease and Sublease Agreement and any related documents that name Sublessee as a party have been, and each Schedule and the resulting Agreement and any related documents that name Sublessee as a party will be, duly authorized, executed and delivered by Sublessee and this Master Lease and Sublease Agreement and any related documents that name Sublessee as a party constitute, and each Schedule and the resulting Agreement and any related documents that name Sublessee as a party will constitute, valid and legally binding obligations of Sublessee, enforceable against Sublessee in accordance with their respective terms, except to the extent limited by bankruptcy, reorganization or other

laws of general application, and principles of equity, relating to or affecting the enforcement of creditors' rights generally;

(g) The authorization, execution, delivery and performance of this Master Lease and Sublease Agreement and any related documents by Sublessee do not, and at the time each Schedule is executed the authorization, execution, delivery and performance of any Agreement and any related documents by Sublessee will not, require submission to, approval of, or other action by any governmental authority or agency, which action with respect to this Master Lease and Sublease Agreement and any related documents has not been taken, and which action with respect to any Agreement and any related documents, at the time each Schedule is executed, will not have been taken;

(h) The execution and delivery of this Master Lease and Sublease Agreement, each Schedule and any related documents, the consummation of the transactions contemplated hereby and thereby and the fulfillment of the terms and conditions hereof and thereof do not and will not violate any law, rule, regulation or order, conflict with or result in a breach of any of the terms or conditions of the articles of incorporation or bylaws of Sublessee or of any corporate restriction or of any agreement or instrument to which Sublessee is now a party and do not and will not constitute a default under any of the foregoing or result in the creation or imposition of any liens, charges or encumbrances of any nature upon any of the property or assets of Sublessee except for the security interests granted herein to Lessor;

(i) There is no action, suit, proceeding, claim, inquiry or investigation at law or in equity, before or by any court, regulatory agency, public board or body pending or, to the best of the Sublessee's knowledge, threatened against or affecting Sublessee, challenging Sublessee's authority to enter into this Master Lease and Sublease Agreement, any Schedule or any related document or any other action wherein an unfavorable ruling or finding would adversely affect the enforceability of this Master Lease and Sublease Agreement, any Schedule or any related document, or the exclusion of the interest component of any Lease Payment from gross income for federal income tax purposes under the Code, or would materially and adversely affect any of the transactions contemplated by this Master Lease and Sublease Agreement, any Agreement or any related document;

(j) As among Sublessee, Lessee and Lessor, Sublessee assumes full responsibility for the safety and any consequences of lack of safety with respect to the operation and maintenance of the Equipment;

(k) The real property on which the Equipment is located is properly zoned for its current and anticipated use and the use of the Equipment will not violate any applicable zoning, land use, environmental or similar law or restriction. Sublessee has all licenses and permits to use the Equipment;

(l) Sublessee's audited and unaudited financial statements furnished to Lessor fairly present the financial condition of Sublessee on the dates thereof and the results of its operations and cash flows for the periods covered by them and were prepared in accordance with generally accepted accounting principles consistently applied. Since the date of the most recent financial statement, there has been no material adverse change in the business, properties or condition (financial or otherwise) of Sublessee;

(m) All financial and other information provided to Lessor by Sublessee in connection with this Master Lease and Sublease Agreement and each Agreement is true and correct in all material respects and, as to any projections, valuations or pro forma financial statements, present a good faith opinion as to such projections, valuations and pro forma condition and results;

(n) Sublessee has filed or caused to be filed with the proper authorities when due all federal, state and local tax returns which are required to be filed, and Sublessee has paid or caused to be paid to the respective taxing authorities all taxes as shown on said returns or on any assessment received by it to the extent such taxes have become due;

(o) All Equipment and all proceeds thereof, are, or at the time of its acquisition will be, free and clear of all mortgages, security interests, liens and encumbrances except for Lessor's and Lessee's interests and rights under the Agreements;

(p) Sublessee has provided to Lessor financing statements sufficient when filed to perfect the security interest in the Equipment created pursuant to each Agreement (to the extent perfection can be achieved by filing). When such financing statements are filed in the offices noted therein, Lessor, as assignee of Lessee, will have a valid and perfected security interest in the Equipment, subject to no other security interest, assignment, lien or encumbrance. None of the Equipment constitutes a replacement of, substitution for or accessory to any property of Sublessee subject to a lien of any kind. Sublessee owns the real property where the Equipment will be located subject to no liens or encumbrances that affect or encumber the Equipment;

(q) So long as any Agreement is in effect, except as otherwise permitted by that Agreement, the Equipment under that Agreement shall be used by Sublessee only for the purpose of performing services related to its status as an organization described in Section 501(c)(3) of the Code and consistent with the permissible scope of Sublessee's authority and will not be used in an unrelated trade or business of Sublessee or another Tax-Exempt Organization or in the trade or business of any person or entity other than Sublessee or another Tax-Exempt Organization unless (i) Lessor and Lessee have been provided with an opinion of Special Tax Counsel to the effect that such use is permitted under the Act and will not cause the interest component of any Lease Payment to be includable in gross income for federal, state and/or local income tax purposes and (ii) Lessor has given its prior written consent to such use;

(r) Sublessee reasonably expects that it will not take any deliberate action within the meaning of Treas. Reg. § 1.141-2(d); and

(s) Sublessee will not take any action that would cause the interest component of any Lease Payment to be includable in gross income of the recipient for federal, state and or local income tax purposes under the Code, and Sublessee will take and will cause its officers, employees and agents to take all affirmative actions legally within its powers necessary to ensure that the interest component of any Lease Payment does not become includable in gross income of the recipient for federal income tax purposes under the Code and/or state or local income taxes under any state or local tax law or regulation (including, without limitation, the calculation and payment of any rebate required to preserve such exclusion).

ARTICLE III
LEASING AND SUBLEASING OF EQUIPMENT

Section 3.01. Acquisition of Equipment.

(a) The Equipment shall be acquired and installed pursuant to one or more Purchase Agreements entered or to be entered into by and between Sublessee and one or more Vendors for the acquisition and installation of the Equipment. Sublessee and Lessor agree that Sublessee shall be solely responsible for the selection, size, design and specification of the Equipment and that Lessor shall have no duty or responsibility therefor or for the negotiation, execution or delivery of any Purchase Agreement. Sublessee shall remain liable to each such Vendor with respect to its duties and obligations in accordance with the related Purchase Agreement, and as among Lessor, Lessee and Sublessee, Sublessee shall bear the risk of loss with respect to any loss or claim relating to any item of Equipment covered by any Purchase Agreement.

(b) Sublessee hereby sells, assigns, transfers and sets over to Lessor, all of its rights, title and interest, but none of its obligations or responsibilities, in and to the Purchase Agreements (whether now in existence or hereafter entered into), including, without limitation, all right, title and interest of Sublessee in and to the Equipment and all of Sublessee's rights and remedies under the Purchase Agreements, and the right either in Lessor's own behalf or in Sublessee's name to take all proceedings, legal equitable or otherwise that Sublessee might take, save for this assignment.

Section 3.02. Lease and Subleasing of Equipment. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Equipment, for the term provided in **Section 3.08**. Lessee hereby subleases to Sublessee and Sublessee hereby subleases from Lessee, the Equipment, for the term provided in **Section 3.08**. Sublessee agrees to use the proceeds of each Agreement to finance or refinance the Acquisition Costs. Upon fulfillment of the conditions set forth in **Article IV**, the proceeds of an Agreement shall be either (a) disbursed to Sublessee, as a reimbursement of Acquisition Costs, or directly to Vendor(s) to pay Acquisition Costs and, in the sole discretion of Lessor, Issuance Costs, or (b) upon agreement among Lessor, Lessee and Sublessee, the proceeds of an Agreement shall be deposited in the related Escrow Fund to be held, invested and disbursed as provided in the related Escrow Agreement. Lessee's obligation under each Agreement, and Sublessee's obligation to make the Sublease Payments, shall commence, and interest shall begin to accrue, on the date the proceeds of that Agreement are disbursed to Sublessee or a Vendor or are deposited in an Escrow Fund. The execution and delivery of this Master Lease and Sublease Agreement shall not obligate Lessor or Lessee to execute and deliver any Schedule or to provide any funds or other consideration with respect to any Agreement. The execution and delivery of any Schedule shall not obligate Lessor or Lessee to provide any funds or other consideration with respect thereto until all conditions set forth in this Master Lease and Sublease Agreement and such Schedule have been satisfied.

NEITHER LESSEE NOR LESSOR MAKES ANY WARRANTY OR REPRESENTATION, EITHER EXPRESSED OR IMPLIED, THAT THE PROCEEDS OF AN AGREEMENT WILL BE SUFFICIENT TO PAY THE COSTS OF THE EQUIPMENT OR ANY OTHER ACQUISITION COST OR ISSUANCE COST.

Section 3.03. Interest.

(a) The principal amount of any Lease Payments under any Agreement outstanding from time to time shall bear interest (computed on the basis of a 360-day year consisting of twelve 30-day months) at the annual rate of interest set forth in that Agreement. Interest accruing on the principal balance of any Lease Payments under any Agreement outstanding from time to time shall be payable as provided in that Agreement and upon earlier demand in accordance with the terms hereof or thereof or prepayment in accordance with **Section 3.07**.

(b) Upon the occurrence of a Determination of Taxability under any Agreement, Sublessee shall, with respect to future interest payments, begin making Sublease Payments under that Agreement calculated at the Gross-Up Rate. In addition, Sublessee shall make immediately upon demand of Lessor a payment to Lessor in the amount, if any, necessary to indemnify Lessor and supplement Prior Interest Payments under that Agreement to the Gross-Up Rate, and such obligation shall survive the termination of this Master Lease and Sublease Agreement and the Agreements.

Section 3.04. Lease Payments and Sublease Payments.

(a) Lessee shall pay the Lease Payments under an Agreement in the amounts and on the dates set forth in that Agreement, but only out of the amounts paid by Sublessee pursuant to that Agreement. Sublessee shall pay to Lessor, as assignee of Lessee, Sublease Payments as subrent under an Agreement in the amounts and on the dates set forth in that Agreement, which shall be in amounts sufficient to pay the Lease Payments under that Agreement as the same become due. As security for the payment of Lease Payments and its other obligations under each Agreement, Lessee hereby assigns to Lessor all of its right to receive Sublease Payments and any Prepayment Price under that Agreement (and hereby directs Sublessee to make such Sublease Payments and any Prepayment Price directly to, or at the direction of, Lessor), all of Lessee's other rights under that Agreement (other than Lessee's Reserved Rights, which rights may be enforced by Lessee or Lessor) and all of its rights and interest in and to the Equipment, and Lessee irrevocably constitutes and appoints Lessor and any present or future officer or agent of Lessor as its lawful attorney, with full power of substitution and resubstitution, and in the name of Lessee or otherwise, to collect the Sublease Payments and any other payments due under that Agreement (other than payments payable to Lessee pursuant to Lessee's Reserved Rights) and to sue in any court for such Sublease Payments or other payments, to exercise all rights under that Agreement (other than Lessee's Reserved Rights, which rights may be enforced by Lessee or Lessor) with respect to the related Equipment, and to withdraw or settle any claims, suits or proceedings pertaining to or arising out of that Agreement (other than Lessee's Reserved Rights, which rights may be enforced by Lessee or Lessor) and that Agreement (other than Lessee's Reserved Rights, which rights may be enforced by Lessee or Lessor) upon any terms. Such Sublease Payments and other payments (other than payments payable to Lessee pursuant to Lessee's Reserved Rights) shall be made by Sublessee directly to Lessor, as Lessee's assignee, without the requirement of notice or demand, at such place as Lessor shall direct in writing at the time the Schedule is executed or such other place as Lessor may from time to time designate in writing, and shall be credited against Lessee's related Lease Payment obligations. Lessee authorizes Lessor to prepare and file any financing statements and continuation statements that Lessor deems necessary or appropriate to establish, maintain, perfect and protect the assignment made by this Section.

(b) The obligations of Lessee under this Master Lease and Sublease Agreement and all of the Agreements are special, limited obligations of Lessee payable solely from payments made by Sublessee in accordance with this Master Lease and Sublease Agreement and such Agreements. No provision, covenant or agreement contained in this Master Lease and Sublease Agreement or any Agreement or

any obligation herein or therein imposed on Lessee, or the breach thereof, shall constitute or give rise to or impose upon Lessee a debt, obligation or pecuniary liability or charge, a charge upon its general credit or taxing powers, an obligation payable from other revenues, monies or sources of funds available to Lessee, or a pledge of any such revenues, monies or sources of funds. Lessee has no taxing powers. In making the agreements, provisions and covenants set forth in this Master Lease and Sublease Agreement and each Agreement, Lessee has not obligated itself except with respect to the application of the Sublease Payments to be paid by Sublessee hereunder and thereunder. All amounts required to be paid by Sublessee hereunder or under any Agreement shall be paid in lawful money of the United States of America in immediately available funds. No recourse shall be had by Lessor or Sublessee for any claim based on this Master Lease and Sublease Agreement or any Agreement against any director, officer, member, employee or agent of Lessee alleging personal liability on the part of such person. This Master Lease and Sublease Agreement and the Agreements do not directly or indirectly, singly or in the aggregate, or contingently, obligate the State or any of its political subdivisions to levy any form of taxation for payment of any obligations contained herein or therein or to make any other provision for such payment.

Section 3.05. Payment on Non-Business Days. Whenever any payment to be made hereunder shall be stated to be due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of interest or fees hereunder, as the case may be.

Section 3.06. Sublease Payments to be Unconditional. The obligations of Sublessee to make Sublease Payments required under this Master Lease and Sublease Agreement, any Tax Compliance Agreement and each Agreement and to make other payments hereunder and thereunder and to perform and observe the covenants and agreements contained herein and therein shall be absolute and unconditional in all events, without abatement, diminution, deduction, setoff or defense for any reason, including (without limitation) any failure of any Equipment to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation, destruction or unforeseen circumstances. Notwithstanding any dispute between Sublessee and any of Lessee, Lessor, any Vendor or any other Person, Sublessee shall make all Sublease Payments or other payments when due and shall not withhold any Sublease Payments pending final resolution of such dispute, nor shall Sublessee assert any right of setoff, counterclaim or recoupment against its obligation to make such Sublease Payments or other payments required under this Master Lease and Sublease Agreement, any Tax Compliance Agreement or any Agreement.

Section 3.07. Prepayments.

(a) Sublessee may, in its discretion, prepay Sublease Payments and the related Lease Payments in whole at any time on a scheduled payment date by paying the applicable Prepayment Price and any outstanding and unpaid Sublease Payments and Additional Payments due under the related Agreement, except as may be otherwise provided in the related Agreement.

(b) The Sublease Payments under an Agreement and the related Lease Payments shall be prepaid in whole or in part at any time pursuant to **Article VII** by paying the applicable Prepayment Price and any outstanding and unpaid Sublease Payments and Additional Payments due under the related Agreement.

(c) The Sublease Payments under an Agreement and the related Lease Payments shall be prepaid in full immediately upon demand of Lessor after the occurrence of an Event of Default by paying the applicable Prepayment Price and any outstanding and unpaid Sublease Payments and Additional Payments due under the related Agreement.

(d) The Sublease Payments under an Agreement and the related Lease Payments shall be prepaid in full immediately upon demand of Lessor after the occurrence of a Determination of Taxability respecting those Lease Payments by paying the applicable Prepayment Price, interest at the Gross-Up Rate to the date of payment as required by **Section 3.03(b)** and any outstanding and unpaid Sublease Payments and Additional Payments due under the related Agreement plus an amount, if any, necessary to supplement the Prior Interest Payments to the Gross-Up Rate.

(e) The Sublease Payments under an Agreement and the related Lease Payments shall be prepaid in part with funds remaining in an Escrow Fund upon termination of the related Escrow Agreement as provided in **Sections 2.03** or **2.04** of that Escrow Agreement.

Upon any prepayment in part of the Sublease Payments under any Agreement and the related Lease Payments, the prepayment shall be applied first to interest accrued thereon and next to the principal component of the Lease Payments in a manner determined by Lessor. Within 15 days after any partial prepayment of Lease Payments, Lessor shall furnish Lessee and Sublessee with a revised Attachment 2 for attachment to the applicable Schedule to reflect the resultant changes due to such prepayment in part.

Upon prepayment of the Sublease Payments under any Agreement and the related Lease Payments in full in accordance with **Subsection (a), (b) or (d)** above, or, in the case of a Schedule substantially in the form of **Exhibit B (Schedule for Lease with Return, Purchase and Extension Options)**, purchase of the Equipment subject to that Schedule in accordance with the terms of that Schedule, Lessor and Lessee, as applicable, shall execute and deliver to Sublessee such documentation as may be necessary and appropriate to release their lien upon the Equipment subject to that Agreement.

Section 3.08. Term. The term applicable to any Agreement shall commence on the date of the Closing and shall terminate upon the earliest to occur of any of the following events:

(a) So long as no Default or Event of Default has occurred and is continuing hereunder, the payment by Sublessee of all Sublease Payments under that Agreement and any Additional Payments, any rebate payments and any other payments due hereunder or required to be paid by Sublessee under that Agreement; or

(b) So long as no Default or Event of Default has occurred and is continuing hereunder, the prepayment of the entire Prepayment Price under that Agreement as provided in Section 3.07 and the other amounts due hereunder or required to be paid under that Agreement; or

(c) Lessor's election to terminate that Agreement under Article IX due to an Event of Default.

This Master Lease and Sublease Agreement may be terminated by any party hereto by written notice to the other parties hereto at any time that no Agreement is in effect.

Section 3.09. Initial and Annual Administrative Fees. If so required by Lessee, Sublessee shall pay the Initial Administrative Fee, if any, to Lessee on the date of each Closing. Sublessee also agrees to pay to Lessee upon demand all reasonable costs, fees and expenses of Lessee in any way related to this Master Lease and Sublease Agreement, the Equipment and any Agreement, including without limitation, reasonable fees and expenses of attorneys, accountants, financial advisors, consultants, and others. Sublessee shall also pay to Lessee the Annual Administrative Fee, if any, in installments on the dates set forth in each related Agreement; provided, however, that the aggregate fees and charges to be received by Lessee from Sublessee shall not equal or exceed the amount, if any, which would affect the exclusion from gross income for federal income tax purposes of the interest components of any Lease Payments. The obligation to pay the Annual Administrative Fee shall continue until all of Sublessee's obligations under this Master Lease and Sublease Agreement and each Agreement have been paid in full.

Section 3.10. Completion of the Acquisition of the Equipment.

(a) Sublessee will undertake and complete the acquisition of the Equipment subject to an Agreement for the purposes and in the manner intended hereby and by Sublessee's application for assistance to Lessee prior to the date specified for the termination of the Escrow Fund in any related Escrow Agreement. Acquisition Costs shall be paid from the proceeds of the related Agreement pursuant to **Section 3.02** and any related Escrow Agreement. To the extent proceeds of that Agreement are not available for that purpose under **Section 3.02** and any related Escrow Agreement, Sublessee shall pay all remaining Acquisition Costs from other funds of Sublessee.

(b) Sublessee shall pay all Issuance Costs directly from other funds of Sublessee except to the extent, if any, paid by Lessor in its discretion pursuant to **Section 3.02** and any related Escrow Agreement.

(c) In order to effectuate the purposes of this Master Lease and Sublease Agreement and any Agreement, Sublessee will make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions that may be reasonably required with any other Persons and in general do all things which may be reasonably required, all for the purpose of carrying out and completing the acquisition of the Equipment. So long as no Event of Default shall have occurred under any Agreement, Sublessee shall have full power to carry out the acts and agreements provided in this Section. Sublessee shall complete the acquisition of the Equipment under any Agreement with all reasonable dispatch. If for any reason the completion of such work does not occur, there shall be no liability on the part of Lessor or Lessee and no diminution in or postponement of the Sublease Payments or other payments required to be paid by Sublessee under any Tax Compliance Agreement, this Master Lease and Sublease Agreement or any Agreement. Sublessee shall do nothing to impair the value of the Equipment or rights of Lessee or Lessor against any Vendor.

(d) Sublessee will obtain all necessary approvals, permits and licenses from any and all governmental agencies requisite to the acquisition of the Equipment and in compliance with all State and local laws, ordinances and regulations applicable thereto. Upon completion of the acquisition of the Equipment, Sublessee will obtain all required approvals, permits and licenses from appropriate authorities, if any be required, authorizing the operation and use of the Equipment for the purposes contemplated hereby.

(e) If any lien shall attach or be filed against the Equipment or any part thereof or the interest of Lessee, Sublessee or Lessor in the Equipment or any part thereof or asserted against any amount payable hereunder (including any Sublease Payments), by reason of work, labor, services or materials supplied or claimed to have been supplied on or to the Equipment at the request or with the permission of Sublessee, or anyone claiming under Sublessee, Sublessee shall, within 60 days after receipt of notice of the filing thereof or the assertion thereof against such amounts, cause the same to be discharged of record, or effectively prevent the enforcement thereof against the Equipment or any part thereof or such amounts, by contest, payment, deposit, bond, order of court or otherwise unless Lessee or Lessor shall notify Sublessee that, the opinion of independent counsel, as the result of the nonpayment of such amounts the Equipment or any part thereof will be subject to forfeiture, in which event Sublessee shall promptly pay the same. Nothing contained in this Master Lease and Sublease Agreement or any Agreement shall be construed as constituting the express or implied consent to or permission of Lessor or Lessee for the performance of any labor or services or the furnishing of any materials that would give rise to any such lien against the Equipment or any part thereof or the interest of Lessee, Sublessee or Lessor in the Equipment or any part thereof.

ARTICLE IV

CONDITIONS PRECEDENT

Section 4.01. Conditions Precedent. Before entering into any Agreement and providing the financing contemplated thereby, Lessor shall have received all of the following, each in form and substance satisfactory to Lessor:

(a) This Master Lease and Sublease Agreement properly executed on behalf of Lessee and Sublessee and each of the Exhibits hereto properly completed;

(b) The related Schedule properly executed on behalf of Lessee and Sublessee with each of the Attachments properly completed and executed by the appropriate party or parties;

(c) Either (i) an Acceptance Certificate in the form included in the Ancillary Document Forms Package or (ii) an Escrow Agreement related to such Agreement, if applicable, in the form included in the Ancillary Document Forms Package properly executed on behalf of Lessee, Lessor, Sublessee and Escrow Agent;

(d) Payment Instructions respecting the proceeds of that Agreement in the form included in the Ancillary Document Forms Package properly executed on behalf of Sublessee and Lessee;

(e) A true and correct copy of any and all leases pursuant to which Sublessee is leasing the property where the Equipment will be located, together with a landlord's disclaimer and consent with respect to each such lease;

(f) Unless waived in writing by Lessor, a true and correct copy of any and all mortgages, deeds of trust or similar agreements (whether or not Sublessee is a party to any such agreement) relating to the property where the Equipment will be located, together with a mortgagee's waiver or similar waiver with respect to each such mortgage, deed of trust or similar agreement;

(g) As applicable, financing statements naming Sublessee, as debtor, and naming Lessor, as secured party, and/or the original certificate of title or manufacturer's certificate of origin and title application if any of the Equipment is subject to certificate of title laws and such other affidavits, notices and similar instruments necessary or appropriate to perfect and maintain Lessor's first priority perfected security interest in the Equipment;

(h) Financing statements naming Lessee, as debtor, and naming Lessor, as secured party, necessary or appropriate to perfect and maintain the assignment to Lessor of Lessee's right to receive Sublease Payments and the Prepayment Price from Sublessee and all of its rights under the Agreement (other than Lessee's Reserved Rights) and all of its rights and interest in and to the Equipment;

(i) Such lien releases from other creditors of Sublessee as may be required by Lessor in the form included in the Ancillary Document Forms Package (with copies of filed UCC termination statements attached) properly completed by or on behalf of such other creditors;

(j) Current searches of appropriate filing offices showing that (i) no state or federal tax liens or judgment liens have been filed and remain in effect against Sublessee, (ii) no financing statements have been filed and remain in effect against Sublessee relating to the Equipment except those financing statements filed for the benefit of Lessor, and (iii) Lessor has duly filed all financing statements necessary to perfect the security interest created pursuant to each Agreement;

(k) A certificate of Sublessee in the form included in the Ancillary Document Forms Package certifying as to, among other things, (i) the resolutions of the board of directors or trustees and, if required, the shareholders or members of Sublessee, authorizing the execution, delivery and performance of this Master Lease and Sublease Agreement, the related Agreement, the related Tax Compliance Agreement, the Escrow Agreement (if applicable) and any other related documents and (ii) the signatures of the officers or agents of Sublessee authorized to execute and deliver this Master Lease and Sublease Agreement, the related Tax Compliance Agreement, the related Schedule, the Escrow Agreement (if applicable) and other instruments, agreements and certificates on behalf of Sublessee;

(l) A certificate of Lessee in the form included in the Ancillary Document Forms Package certifying as to, among other things, (i) the official approval authorizing the execution, delivery and performance of this Master Lease and Sublease Agreement, the related Agreement, the related Tax Compliance Agreement, the Escrow Agreement (if applicable) and any other related documents and (ii) the signatures of the officers or agents of Lessee authorized to execute and deliver this Master Lease and Sublease Agreement, the related Schedule, the related Tax Compliance Agreement, the Escrow Agreement (if applicable) and other instruments, agreements and certificates on behalf of Sublessee;

(m) A Tax Compliance Agreement in the form included in the Ancillary Document Forms Package properly executed on behalf of Sublessee, the Escrow Agent, if any, Lessor and Lessee;

(n) A Certificate of Good Standing issued as to Sublessee by the Secretary of State of the State not more than 30 days prior to the date of the Closing of the related Schedule;

(o) Certificates of insurance required under the related Agreement, containing a lender's loss payable clause or endorsement in favor of Lessor;

(p) A completed and executed Form 8038 or evidence of filing thereof with the Secretary of Treasury;

(q) A resolution or evidence of other official action taken by or on behalf of Lessee to authorize the transactions contemplated by the related Agreement;

(r) Evidence of publication of notice required pursuant to Section 147(f) of the Code;

(s) Evidence that the financing of the Equipment has been approved by the "applicable elected representative" of Lessee after a public hearing held upon reasonable notice;

(t) An opinion of counsel to Sublessee addressed to Lessor, Lessee and Special Tax Counsel in the form included in the Ancillary Document Forms Package;

(u) An opinion of counsel to Lessee addressed to Lessor and Lessee in the form included in the Ancillary Document Forms Package;

(v) An opinion of Special Tax Counsel addressed to Lessor and Lessee in the form included in the Ancillary Document Forms Package;

(w) Payment of Lessor's fees, commissions and expenses required by Section 10.04;

(x) Payment of Lessee's fees, commissions and expenses incurred in connection with the related Agreement and the transactions contemplated hereby, including the Initial Administrative Fee; and

(y) Any other items reasonably requested by Lessor and evidence of the satisfaction of any of the foregoing requirements of Lessor.

A disbursement from an Escrow Fund shall be subject to the further conditions precedent that on the date thereof:

(aa) Lessor shall have received each of the items required for a disbursement pursuant to the Escrow Agreement, if any;

(bb) Lessor shall have received in form and substance satisfactory to Lessor, Vendor invoice(s) and/or bill(s) of sale relating to the Equipment and, if such invoices have been paid by Lessee or Sublessee, evidence of payment thereof and, if applicable, evidence of official intent to reimburse such payment as required by the Code;

(cc) The representations and warranties contained in Article II shall be correct on and as of the date of the execution and delivery of the related Schedule and the funding of that Agreement as though made on and as of such date, except to the extent that such representations and warranties relate solely to an earlier date;

(dd) No event shall have occurred and be continuing, or would result from the execution and delivery of the related Schedule and the funding of that Agreement by Lessee or the incurrence of the

related obligations hereunder by Sublessee, that constitutes a Default, an Event of Default or a Determination of Taxability; and

(ee) Satisfaction of any other requirements specified in the Agreement or the related Escrow Agreement, if any.

Notwithstanding the foregoing, the execution and delivery of this Master Lease and Sublease Agreement shall not obligate Lessor nor Lessee to execute and deliver any Schedule or to provide any funds or other consideration with respect to any Agreement, and the execution and delivery of any Schedule shall not obligate Lessor or Lessee to provide any funds or other consideration with respect thereto until all conditions set forth in this Master Lease and Sublease Agreement and such Schedule have been satisfied.

ARTICLE V

TITLE TO EQUIPMENT; SECURITY INTEREST

Section 5.01. Title.

(a) Legal title to the Equipment subject to a Schedule substantially in the form of **Exhibit A (Schedule for Lease with One Dollar End of Term Purchase)** and any and all repairs, replacements, substitutions and modifications to that Equipment shall be in Sublessee, subject to the rights of Lessee and Lessor hereunder.

(b) Legal title to the Equipment subject to a Schedule substantially in the form of **Exhibit B (Schedule for Lease with Return, Purchase and Extension Options)** and any and all repairs, replacements, substitutions and modifications to that Equipment shall be in Lessor, subject to the rights of Lessee and Sublessee hereunder.

Section 5.02. Security Interest. Each Agreement is intended to constitute a security agreement within the meaning of the UCC. As security for Sublessee's payment to Lessor, as assignee of Lessee, of Sublease Payments and all other amounts payable to Lessor hereunder and under each Agreement, Sublessee hereby grants to Lessor a security interest constituting a first lien on the Equipment subject to that Agreement, all replacement parts, additions, repairs, replacements, substitutions, modifications, accessions and accessories thereto or thereof and all proceeds of the foregoing. Sublessee authorizes Lessor to prepare, file and/or record, and agrees to execute if requested by Lessor to do so, such additional documents, including financing statements, assignments, affidavits, notices and similar instruments, in form satisfactory to Lessor, and take such other actions that Lessor deems necessary or appropriate to establish, maintain, perfect and protect the security interest created by this Section, and Sublessee hereby designates and appoints Lessor as its agent, and grants to Lessor a power of attorney (which is coupled with an interest), to execute on behalf of Sublessee such additional documents and to take such other actions. If requested by Lessor, Sublessee shall, at its expense, (a) obtain a landlord and/or mortgagee's consent and waiver with respect to the property where the Equipment is located, (b) obtain the waiver of any interest in the Equipment from any owner of, or a secured party with an interest in, equipment on which the Equipment becomes an accession and (c) conspicuously mark the Equipment with appropriate lettering, labels or tags, and maintain such markings, so as clearly to disclose Lessor's security interest in the Equipment.

Section 5.03. Liens and Encumbrances. Sublessee shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Equipment (together, "Liens") other than the respective rights of Lessor and Lessee as herein provided. Sublessee shall promptly, at its own expense, take such action as may be necessary duly to discharge or remove any Lien. Sublessee shall reimburse Lessor for any expenses incurred by Lessor to discharge or remove any Lien.

Section 5.04. Change in Name, Corporate Structure or Principal Place of Business. Sublessee's chief executive office is located at the address set forth above, and all of Sublessee's records relating to its business and the Equipment are kept at such location or such other location as specified in the related Schedule. Sublessee hereby agrees to provide written notice to Lessor and Lessee of any change or proposed change in its name, corporate structure, state of organization, place of business or chief executive office or change or proposed change in the location of the Equipment. Such notice shall be provided 30 days in advance of the date that such change or proposed change is planned to take effect. Sublessee does business, and within the last five years has done business, only under its own name and the trade names, if any, set forth on the execution page hereof.

Section 5.05. Inspection of Equipment. Lessor shall have the right at all reasonable times during business hours, upon reasonable advance notice to Sublessee, to enter into and upon the property of Sublessee for the purpose of inspecting the Equipment or removing the Equipment pursuant to **Article IX**.

Section 5.06. Personal Property. The parties hereby agree that the Equipment is, and so long as the Agreement related thereto remains in effect will remain, personal property and, when subjected to use by Sublessee hereunder, will not be or become fixtures; *provided, however*, that if contrary to the parties' intent the Equipment is or may be deemed to be a fixture, Sublessee shall cause filings to be made with the applicable government officials or filing offices to create and preserve for Lessor a perfected first priority security interest in the Equipment.

Section 5.07. Assignment of Insurance. As additional security for the payment and performance of Sublessee's obligations under each Agreement, Sublessee hereby assigns to Lessor any and all moneys (including, without limitation, proceeds of property insurance and refunds of unearned premiums) due or to become due under, and all other rights of Sublessee with respect to, any and all policies of property insurance now or at any time hereafter covering claims relating to loss, damage or destruction of the Equipment or any evidence thereof or any business records or valuable papers pertaining thereto, and Sublessee hereby directs the issuer of any such policy to pay all such moneys directly to Lessor. Sublessee hereby assigns to Lessor any and all moneys due or to become due with respect to any condemnation proceeding affecting the Equipment. At any time, whether before or after the occurrence of any Event of Default, Lessor may (but need not), in Lessor's name or in Sublessee's name, execute and deliver proof of claim, receive all such moneys, endorse checks and other instruments representing payment of such moneys, and adjust, litigate, settle, compromise or release any claim against the issuer of any such policy or party in any condemnation proceeding with respect to claims relating to the Equipment.

Section 5.08. Agreement as Financing Statement. To the extent permitted by applicable law, a carbon, photographic or other reproduction of each Agreement is sufficient as a financing statement in the State to perfect the security interests granted in each Agreement.

ARTICLE VI
COVENANTS OF SUBLESSEE

Section 6.01. Use and Maintenance of Equipment by Sublessee. Sublessee shall, at its own expense, maintain, preserve and keep the Equipment in good repair, working order and condition, and shall from time to time make all repairs and replacements necessary to keep the Equipment in such condition, and in compliance with local, state and federal laws, ordinary wear and tear excepted. Sublessee shall maintain the Equipment in a condition suitable for certification by the manufacturer thereof (if certification is available) and in conformance with all manufacturer's recommended maintenance requirements and specifications and shall comply with such other maintenance requirements as may be specified in the related Agreement or in the related insurance policy. In the event that any parts or accessories forming part of any item or items of Equipment become worn out, lost, destroyed, damaged beyond repair or otherwise rendered unfit for use, Sublessee, at its own expense and expeditiously, will replace or cause the replacement of such parts or accessories by replacement parts or accessories free and clear of all liens and encumbrances and with a value and utility at least equal to that of the parts or accessories being replaced (assuming that such replaced parts and accessories were otherwise in good working order and repair). All such replacement parts and accessories shall be deemed to be incorporated immediately into and to constitute an integral portion of the Equipment and, as such, shall be subject to the terms of the applicable Agreement. Sublessee shall not install, use, operate or maintain the Equipment improperly, carelessly, in violation of any applicable law, license or insurance policy provision, including the provisions of the Purchase Agreement relating thereto, or in any manner contrary to that contemplated by the Agreement or the Purchase Agreement applicable thereto. Sublessee shall secure all permits and licenses, if any, necessary for the installation, use, operation, modification and upgrade of the Equipment. Sublessee shall comply in all respects (including, without limitation, with respect to the use, maintenance and operation of each item of the Equipment) with the laws of each jurisdiction in which its operations involving the Equipment may extend and any legislative, executive, administrative or judicial body exercising power over the Equipment. The Equipment shall not be moved by or on behalf of Sublessee from the site described in the related Schedule to any other location. The Equipment shall not be used by any Person other than Sublessee for Sublessee's tax-exempt purposes unless (i) Lessor and Lessee have been provided with an opinion of Special Tax Counsel to the effect that such use is permitted under the Act and will not cause the interest components of any Lease Payments to be includable in gross income for federal income tax purposes and (ii) Lessor has given its prior written consent to such use. Sublessee shall not use any item of Equipment to haul, convey, store, treat, transport or dispose of any "hazardous substances" or "hazardous waste" as such terms are defined in any federal, state or local law, rule or regulation pertaining to the protection of the environment (together, "Environmental Laws"). Sublessee agrees that if Sublessee is required to deliver any item of Equipment to Lessor or Lessor's agent, the Equipment shall be delivered free of all substances which are regulated by or form a basis for liability under any Environmental Law.

Neither Lessee nor Lessor shall be under any obligation to replace, service, test, adjust, erect, maintain or effect replacements, renewals or repairs of the Equipment, to effect the replacement of any inadequate, obsolete, worn-out or unsuitable parts of the Equipment or to furnish any utilities or services for the Equipment, and Sublessee hereby agrees to assume full responsibility therefor.

Section 6.02. Taxes, Other Governmental Charges, Utility Charges and Other Claims. The parties hereto contemplate that the Equipment will be used for the tax-exempt purposes of

Sublessee and, therefore, that the Equipment will be exempt from all taxes presently assessed and levied with respect to personal property in the State. In the event that the use, possession or acquisition of the Equipment is found to be subject to taxation or fees in any form, Sublessee shall pay, so long as any Agreement remains in effect, as the same respectively come due, all taxes, fees and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Equipment subject to that Agreement, as well as all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Equipment. Sublessee shall also pay or discharge when due all federal, state and local taxes and fees required to be withheld by it and all lawful claims for labor, materials and supplies which, if unpaid, might by law become a lien or charge upon any properties of Sublessee.

Section 6.03. Insurance; Risk of Loss.

(a) Sublessee shall, at its own expense, cause casualty and property damage insurance, for such amounts and against such hazards as Lessor may require, to be carried and maintained with respect to the Equipment sufficient to protect the greater of the full replacement value of the Equipment or the then applicable Prepayment Price under the applicable Agreement and to protect Lessor, Lessee and Sublessee from liability in all events with respect to insured hazards. All property insurance proceeds from casualty losses shall be payable to Lessor and Sublessee as hereinafter provided. Sublessee shall furnish to Lessor from time to time, upon request, certificates of insurance evidencing such coverage. Alternatively, upon the written approval of Lessor, Sublessee may insure the Equipment under a blanket insurance policy or policies which cover not only the Equipment but also other properties of Sublessee or, upon written approval of Lessor, may provide self-insurance acceptable to Lessor.

(b) In addition to the requirements of **Section 6.03(a)**, Sublessee shall maintain as a minimum, public liability insurance in accordance with customary insurance practices for similar operations of size and scope in a minimum amount of \$5,000,000 and written on an "occurrence" basis, which insurance (i) will also provide coverage of Sublessee's obligations of indemnity under **Section 6.13**; (ii) may be effected under overall blanket or excess coverage policies of Sublessee or any affiliate thereof, provided, however, that at least \$1,000,000 is effected by a comprehensive liability insurance policy; and (iii) shall not contain any provisions for deductible amount in excess of \$50,000.

(c) All insurance required by Section 6.03(a) or (b) shall be procured and maintained in financially sound and generally recognized responsible insurance companies authorized to write such insurance in the State.

(d) Each of the policies or binders evidencing the insurance required above to be obtained shall:

(i) designate Sublessee, Lessor and Lessee as additional insureds as their respective interests may appear;

(ii) provide that all insurance proceeds with respect to loss or damage to the property of the Equipment be endorsed and made payable to Lessor and shall name Lessor as a loss payee under the standard loss payee clause which insurance proceeds shall be paid over to Lessor;

(iii) provide that there shall be no recourse against Lessee or Lessor for the payment of premiums or commissions or (if such policies or binders provide for the payment thereof) additional premiums or assessments;

(iv) provide that in respect of the respective interests of Lessee and Lessor in such policies, the insurance shall not be invalidated by any action or inaction of Sublessee or any other Person and shall insure Lessee and Lessor regardless of, and any losses shall be payable notwithstanding, any such action or inaction;

(v) provide that such insurance shall be primary insurance without any right of contribution from any other insurance carried by Lessee or Lessor to the extent that such other insurance provides Lessee or Lessor, as the case may be, with contingent and/or excess liability insurance with respect to its respective interest as such in the Equipment;

(vi) provide that if the insurers cancel such insurance for any reason whatsoever, including the insured's failure to pay any accrued premium, or the same is allowed to lapse or expire, or there be any reduction in amount, or any material change is made in the coverage, such cancellation, lapse, expiration, reduction or change shall not be effective as to Lessee or Lessor until at least 30 days after receipt by Lessee and Lessor, respectively, of written notice by such insurers of such cancellation, lapse, expiration, reduction or change;

(vii) waive any right of subrogation of the insurers thereunder against any Person insured under such policy, and waive any right of the insurers to any setoff or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any Person insured under such policy; and

(viii) contain such other terms and provisions as any owner or operator of property similar to the Equipment would, in the prudent management of its properties, require to be contained in policies, binders or interim insurance contracts with respect to property similar to the Equipment owned or operated by it.

(e) Sublessee shall, at its own cost and expense, make all proofs of loss and take all other steps necessary or reasonably requested by Lessee or Lessor to collect from insurers for any loss covered by any insurance required to be obtained by this Section 6.03. Sublessee shall not do any act, or suffer or permit any act to be done, whereby any insurance required by this Section 6.03 would or might be suspended or impaired.

(f) NEITHER LESSEE NOR LESSOR REPRESENT THAT THE INSURANCE SPECIFIED HEREIN, WHETHER IN SCOPE OR COVERAGE OR LIMITS OF COVERAGE, IS ADEQUATE OR SUFFICIENT TO PROTECT THE BUSINESS OR INTEREST OF SUBLESSEE.

(g) The Net Proceeds (as defined in Section 7.01) of the insurance required in Section 6.03(a) shall be applied as provided in Article VII.

(h) As among Lessor, Sublessee and Lessee, Sublessee assumes all risks and liabilities from any cause whatsoever, whether or not covered by insurance, for loss or damage to any Equipment and

for injury to or death of any person or damage to any property, whether such injury or death be with respect to agents or employees of Sublessee or of third parties, and whether such property damage be to Sublessee's property or the property of others. Whether or not covered by insurance, Sublessee hereby assumes responsibility for and agrees to reimburse Lessor and Lessee for and will indemnify, defend and hold Lessor and Lessee and any of their assignees, agents, employees, members, officers and directors harmless as set forth in Section 6.13.

Section 6.04. Reporting Requirements. Sublessee will deliver, or cause to be delivered, to Lessor each of the following, which shall be in form and detail acceptable to Lessor and Lessee (when applicable):

(a) as soon as available, and in any event within 120 days after the end of each fiscal year of Sublessee, audited financial statements of Sublessee with the unqualified opinion of independent certified public accountants selected by Sublessee, which annual financial statements shall include the balance sheet of Sublessee as at the end of such fiscal year and the related statement of activities and statement of cash flows of Sublessee for the fiscal year then ended, all in reasonable detail and prepared in accordance with generally accepted accounting principles applied on a basis consistent with the accounting practices applied in the financial statements referred to in **Article II**, together with a certificate of the chief financial officer of Sublessee stating that such financial statements have been prepared in accordance with generally accepted accounting principles applied on a basis consistent with the accounting practices reflected in the annual financial statements referred to in **Article II** and whether or not such officer has knowledge of the occurrence of any Default or Event of Default hereunder and, if so, stating in reasonable detail the facts with respect thereto;

(b) if requested by Lessor, as soon as available and in any event within 60 days after the end of each fiscal quarter of Sublessee, an unaudited/internal balance sheet and statement of activities and statement of cash flows of Sublessee as at the end of and for such month and for the year to date period then ended, in reasonable detail and stating in comparative form the figures for the corresponding date and periods in the previous year, all prepared in accordance with generally accepted accounting principles applied on a basis consistent with the accounting practices reflected in the financial statements referred to in **Article II** and certified by the chief financial officer of Sublessee, subject to year-end audit adjustments; and accompanied by a certificate of that officer stating (i) that such financial statements have been prepared in accordance with generally accepted accounting principles applied on a basis consistent with the accounting practices reflected in the financial statements referred to in **Article II** and (ii) whether or not such officer has knowledge of the occurrence of any Default or Event of Default hereunder not theretofore reported and remedies and, if so, stating in reasonable detail the facts with respect thereto;

(c) immediately after an officer of Sublessee obtains knowledge of the occurrence of any event that constitutes a Default or an Event of Default hereunder, notice of such occurrence, together with a detailed statement by a responsible officer of Sublessee of the steps being taken by Sublessee to cure the effect of such Default or Event of Default;

(d) promptly upon Sublessee's knowledge thereof, notice of any loss or destruction of or damage to any Equipment or of any material adverse change in any Equipment; and

(e) promptly upon Sublessee's knowledge thereof, notice of any material adverse change in the financial or operating condition of Sublessee.

Section 6.05. Books and Records; Inspection and Examination. Sublessee will keep accurate books of record and account for itself pertaining to the Equipment and Sublessee's business and financial condition and such other matters as Lessor may from time to time request in which true and complete entries will be made in accordance with generally accepted accounting principles consistently applied and upon request of Lessor, will permit any officer, employee, attorney or accountant for Lessor or Lessee to audit, review, make extracts from, or copy any and all corporate and financial books, records and properties of Sublessee at all times during ordinary business hours, and to discuss the affairs of Sublessee with any of its directors, officers, employees or agents. Sublessee will permit Lessor, or its employees, accountants, attorneys or agents, to examine and copy any and all of its records and to examine and inspect the Equipment at any time during Sublessee's business hours.

Section 6.06. Performance by Lessor; Advances. If Sublessee at any time fails to perform or observe any of the covenants or agreements contained in any Agreement, and if such failure shall continue for a period of 20 calendar days after Lessor gives Sublessee written notice thereof (or in the case of the agreements contained in **Section 6.03**, immediately upon the occurrence of such failure, without notice or lapse of time), Lessor may, but need not, perform or observe such covenant on behalf and in the name, place and stead of Sublessee (or, at Lessor's option, in Lessor's name) and may, but need not, take any and all other actions which Lessor may reasonably deem necessary to cure or correct such failure (including, without limitation, the payment of taxes, the satisfaction of security interests, liens or encumbrances, the performance of obligations owed to account debtors or other obligors, the procurement and maintenance of insurance, the execution of assignments, security agreements and financing statements, and the endorsement of instruments); and Sublessee shall thereupon pay to Lessor on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Lessor in connection with or as a result of the performance or observance of such agreements or the taking of such action by Lessor, together with interest thereon from the date expended or incurred at the lesser of 12% per annum or the highest rate permitted by law. To facilitate the performance or observance by Lessor of such covenants of Sublessee, Sublessee hereby irrevocably appoints Lessor, or the delegate of Lessor, acting alone, as the attorney in fact of Sublessee with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file in the name and on behalf of Sublessee any and all instruments, documents, assignments, security agreements, financing statements, applications for insurance and other agreements and writings required to be obtained, executed, delivered or endorsed by Sublessee under the applicable Agreement.

Section 6.07. Modification and Substitutions.

(a) Sublessee shall not make, without the prior written approval of Lessor, any alterations, modifications, additions, substitutions, subtractions or improvements to the Equipment which cannot be readily removed without damaging the functional capabilities or economic value of the Equipment. In the event the Equipment is required to be returned to Lessor, Sublessee, at its sole cost and expense, and at the request of Lessor, will remove all alterations, modifications and additions and repair the Equipment as necessary to return the Equipment to the condition in which it was furnished, ordinary wear and tear and permitted modifications excepted.

(b) Notwithstanding the provisions of **Subparagraph (a)** above, Sublessee may, with the prior written consent of Lessor and Lessee, substitute for parts, elements, portions or all of the Equipment, other parts, elements, portions, equipment or facilities; *provided, however*, that any substitutions made pursuant to Sublessee's obligations to make repairs referenced under **Section 6.01** or **Article VII** shall not require such prior written consent. Sublessee shall make any such permitted substitutions using only parts, elements, equipment or other material of equal quality to those contained in or on the Equipment as originally delivered to Sublessee by Vendor thereof. Sublessee shall provide such documents or assurances as Lessor may reasonably request to maintain or confirm Lessor's first priority perfected security interest in the Equipment as so modified or substituted.

Section 6.08. Preservation of Corporate Existence. Sublessee will preserve and maintain its corporate existence and all of its rights, privileges and franchises necessary or desirable in the normal conduct of its business; and shall conduct its business in an orderly, efficient and regular manner.

Section 6.09. Liens. Sublessee will defend the Equipment against all claims or demands of all persons (other than Lessor) claiming the Equipment or any interest therein. Sublessee will keep the Equipment free and clear of all mortgages, deeds of trusts, pledges, security interests, liens, assignments, transfers and encumbrances, and will not create, incur or suffer to exist any mortgage, deed of trust, pledge, lien, security interest, assignment, transfer or encumbrance upon or of any of the Equipment, except the security interest created pursuant to the Agreements.

Section 6.10. Sale of Assets. Sublessee will not sell, lease, assign, transfer or otherwise dispose of any of the Equipment or any interest therein or all or a substantial part of its assets (whether in one transaction or in a series of transactions), except as contemplated in any Agreement.

Section 6.11. Consolidation and Merger. Sublessee will not consolidate with or merge into any Person, or permit any other Person to merge into it, or acquire (in a transaction analogous in purpose or effect to a consolidation or merger) all or substantially all the assets of any other Person.

Section 6.12. Other Defaults. Sublessee will not permit any default or event of default to occur under any note, loan agreement, indenture, lease, mortgage, contract for deed, security agreement or other contractual obligation binding upon Sublessee or any judgment, decree, order or determination applicable to Sublessee which would have a material adverse effect on the financial or operating condition of Sublessee.

Section 6.13. Indemnification, Payment of Expenses and Advances.

(a) Sublessee shall at all times protect and hold Lessee and Lessor (collectively, the "Indemnified Parties") harmless of, from and against any and all claims (whether in tort, contract or otherwise), demands, costs, expenses and liabilities for losses, damage, injury and liability of every kind and nature and however caused, and taxes (of any kind and by whomsoever imposed) (collectively, the "Liabilities"), other than, with respect to any Indemnified Party, losses arising from the gross negligence or willful misconduct of such Indemnified Party, arising during the term of any Agreement upon, about or in connection with the Equipment or resulting from, arising out of or in any way connected with (i) the financing of the costs of the Equipment, (ii) the planning, design, acquisition, equipping, installation, maintenance, repair, replacement, restoration, upkeep, use, ownership, leasing, subletting, licensing, sublicensing or operation of the Equipment or any part thereof, (iii) any defects (whether latent or patent) in the Equipment or any part thereof, (iv) the maintenance, repair, replacement, restoration,

upkeep, use, ownership, leasing, subletting, licensing, sublicensing or operation of the Equipment or any portion thereof or (v) this Master Lease and Sublease Agreement, any Agreement, any Escrow Agreement, any Tax Compliance Agreement or any other document or instrument required to be delivered in connection herewith or therewith or the enforcement of any of the terms or provisions hereof or thereof or the transactions contemplated hereby or thereby, including (without limitation) (A) the selection, manufacture, purchase, acceptance, revocation of acceptance or rejection of the Equipment or the ownership of the Equipment, (B) the delivery, lease, possession, maintenance, use, condition, return or operation of the Equipment, (C) the condition of the Equipment sold or otherwise disposed of after possession by Sublessee, (D) any patent or copyright infringement, (E) the conduct of Sublessee, its officers, employees and agents, (F) a breach by Sublessee of any of its covenants or obligations and (G) any claim, loss, cost or expense involving alleged damage to the environment relating to the Equipment, including, but not limited to, investigation, removal, cleanup and remedial costs. Such indemnification set forth above shall be binding upon Sublessee for any and all claims, demands, expenses, liabilities and taxes set forth herein and shall survive the termination of this Master Lease and Sublease Agreement or any Agreement. No Indemnified Party shall be liable for any damage or injury to the person or property of Sublessee or its directors, officers, employees, agents or servants or persons under the control or supervision of any such person or any other person who may be involved with the Equipment due to any act or negligence of any person other than, with respect to any such Indemnified Party, the gross negligence or willful misconduct of such Indemnified Party.

(b) Sublessee releases such Indemnified Party from, and agrees that no Indemnified Party shall be liable for, and agrees to indemnify and hold each Indemnified Party harmless against, any expense, loss, damage, injury or liability incurred because of any lawsuit commenced as a result of action taken by such Indemnified Party with respect to any of the matters set forth in subdivisions (i) through (v) of **Section 6.13(a)** or at the direction of Sublessee. An Indemnified Party shall promptly notify Sublessee in writing of any claim or action brought against such Indemnified Party in which indemnity may be sought against Sublessee pursuant to **Section 6.13**; such notice shall be given in sufficient time to allow Sublessee to defend or participate in such claim or action, but the failure to give such notice in sufficient time shall not constitute a defense hereunder or in any way impair the obligations of Sublessee under **Section 6.13** if (x) such Indemnified Party shall not have had knowledge or notice of such claim or action, (y) Sublessee or any affiliate shall have had notice of such claim or action, or (z) Sublessee's ability to defend such claim or action shall not thereby be materially impaired.

(c) In addition to and without limitation of all other representations, warranties and covenants made by Sublessee under this Master Lease and Sublease Agreement and any Agreement, Sublessee further represents and warrants that Sublessee has not used Hazardous Materials (as defined hereinafter) on, from or affecting the location where the Equipment will be located, the Equipment or any portion thereof in any manner which violates federal, state or local laws, ordinances, rules, regulations or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials, and that, to the best of Sublessee's knowledge, no prior owner, user or occupant of the location where the Equipment will be located, the Equipment or any portion thereof has used Hazardous Materials on, from or affecting the location where the Equipment will be located, the Equipment or any portion thereof in any manner which violates federal, state or local laws, ordinances, rules, regulations or policies governing the use, storage, treatment, transportation, manufacture, refinement, handling, production or disposal of Hazardous Materials. Sublessee shall keep or cause the location where the Equipment will be located and the Equipment to be kept free of Hazardous Materials (other than materials customarily used in the conduct of Sublessee's business or customarily used in the operation and maintenance of properties similar to the Equipment in accordance

with applicable law), except as provided in applicable federal, state and local laws, ordinances, rules, regulations and policies. Without limiting the foregoing, Sublessee shall not cause or permit the Equipment or any part thereof to be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce or process Hazardous Materials, except, so long as the Equipment is used for its intended purpose, in compliance with all applicable federal, state and local laws or regulations, nor shall Sublessee cause or permit, as a result of any intentional or unintentional act or omission on the part of Sublessee or any operator or user of the Equipment, a release of Hazardous Materials onto the location where the Equipment will be located, the Equipment or any portion thereof or onto any other property. Sublessee shall comply with and use efforts to ensure compliance by all other users of the Equipment with all applicable federal, state and local laws, ordinances, rules and regulations relating to Hazardous Materials with respect to the acquisition, leasing, subleasing, licensing, equipping, furnishing, installation, operation, maintenance, repair and replacement of the Equipment, whenever and by whomever triggered, and shall obtain and comply with, and use reasonable efforts to ensure that all users of the Equipment obtain and comply with, any and all approvals, Registrations or permits required thereunder. Sublessee shall defend, indemnify and hold harmless the Indemnified Parties from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, arising out of, or in any way related to (i) the presence, disposal, release, or threatened release of any Hazardous Materials which are on, from or affecting the location where the Equipment will be located, the Equipment or any portion thereof in violation of applicable Environmental Laws; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Materials; and/or (iv) any violation of laws, orders, regulations, requirements or demands of government authorities which are based upon or in any way related to such Hazardous Materials, including, without limitation, reasonable attorney and consultant fees, investigation and laboratory fees, court costs and litigation expenses. For purposes of this paragraph, "Hazardous Materials" includes, without limitation, any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances or related materials defined or so treated in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §§ 9601 *et seq.*), the Hazardous Materials Transportation Act, as amended (49 U.S.C. §§1801 *et seq.*), the Resource Conservation and Recovery Act of 1976, as amended (42 U.S.C. § 6901 *et seq.*), and in the regulations adopted and promulgated pursuant thereto, or any other federal, state or local environmental law, ordinance, rule or regulation. The provisions of this paragraph shall be in addition to any and all other obligations and liabilities Sublessee may have to the Indemnified Parties at common law or otherwise, and the indemnification provisions hereof shall survive the termination of this Master Lease and Sublease Agreement or any Agreement.

(d) The Indemnifications and protections set forth in **Section 6.13** shall be extended, with respect to each Indemnified Party, to its members, directors, officers, employees, agents and servants and any persons under such Indemnified Party's control or supervision.

(e) To effectuate the purposes of this Section, Sublessee will provide for and insure, in the public liability policies required in **Section 6.03**, not only its liability in respect of the matters therein mentioned but also its liability pursuant to this Section (other than under **Section 6.13(c)** to the extent not obtainable at commercially reasonable rates by Sublessee). Anything to the contrary in this Master Lease and Sublease Agreement or any Agreement notwithstanding, the indemnification covenants of Sublessee contained in this Section shall remain in full force and effect notwithstanding the termination of this Master Lease and Sublease Agreement or any Agreement.

(f) Sublessee shall not be deemed an employee, agent or servant of Lessor or Lessee or a person under Lessor's or Lessee's control or supervision.

(g) Sublessee shall, to the extent not paid out of the proceeds of any Agreement as Issuance Costs, pay the following fees, charges and expenses and other amounts: (i) the reasonable fees of any Escrow Agent for the services of the Escrow Agent rendered and its reasonable expenses incurred under any Escrow Agreement, including making any investments in accordance with the Escrow Agreement, (ii) the reasonable fees, costs and expenses of Lessee together with any reasonable fees and disbursements incurred by Lessee's counsel or special tax counsel and general counsel in performing services for Lessee in connection with this Master Lease and Sublease Agreement, any Agreement, any Escrow Agreement and any Tax Compliance Agreement and (iii) the reasonable attorney's fees and expenses incurred by Lessor in connection with this Master Lease and Sublease Agreement and any Agreement.

Section 6.14. Incorporation of Tax Compliance Agreement. The representations, warranties, agreements, covenants and statements of expectation of Sublessee set forth in each Tax Compliance Agreement are by this reference incorporated in this Master Lease and Sublease Agreement as though fully set forth herein.

Section 6.15. Guarantee of Lease Payments. As a separate and independent obligation, separate and apart from the obligation of Sublessee to make Sublease Payments under **Section 3.04**, Sublessee hereby unconditionally guarantees to Lessor the due and punctual payment of the Lease Payments as and when the same shall become due.

ARTICLE VII

DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

Section 7.01. Damage, Destruction and Condemnation. Unless Sublessee shall have exercised the option to prepay the Sublease Payments under an Agreement and the related Lease Payments by making payment of the Prepayment Price as provided herein, if (a) the related Equipment or any portion thereof is destroyed (in whole or in part) lost, secreted, stolen or is damaged by fire or other casualty, or (b) title to, or the temporary use of, the related Equipment or any part thereof or the estate of Sublessee in the Equipment or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, then Lessor may, at its option, apply the Net Proceeds (defined below) in whole or in part to (i) allow Sublessee to repair or replace such Equipment or any portion thereof with equipment having substantially similar specifications and of equal or greater value to the damaged Equipment immediately prior to the time of the loss occurrence, whereupon such replacement equipment shall be substituted in the related Agreement and the other related documents by appropriate endorsement or amendment, (ii) satisfy any obligations of Sublessee pursuant to the indemnification provisions of this Master Lease and Sublease Agreement or the related Agreement, (iii) prepayment of the Sublease Payments under that Agreement and the related Lease Payments in accordance with **Section 3.07(b)**, or (iv) satisfy any other obligations hereunder of Sublessee. Any balance of the Net Proceeds remaining after application in accordance with the preceding sentence shall be paid to Sublessee.

The term "Net Proceeds" shall mean the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including reasonable attorneys' fees) incurred in the collection of such claim or award

Section 7.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement referred to in **Section 7.01**, Sublessee shall either (a) complete any such repair, restoration, modification, improvement or replacement to the satisfaction of Lessor, and pay any cost thereof in excess of the amount of the Net Proceeds, in which event Sublessee shall not be entitled to any reimbursement therefor from Lessor or Lessee nor shall Sublessee be entitled to any diminution of the amounts payable hereunder or under the related Agreement; or (b) if no Default or Event of Default exists, pay to or cause to be paid to Lessor the amount of the then applicable Prepayment Price under the applicable Agreement) and, upon such payment, the Agreement with respect to such Equipment shall terminate and Lessor's security interest in such Equipment shall terminate as provided in **Section 3.07**. The amount of the Net Proceeds in excess of the then applicable Prepayment Price, if any, shall be paid to Sublessee.

ARTICLE VIII

ASSIGNMENT, MORTGAGING AND SELLING

Section 8.01. Assignment by Lessor. Each Agreement and the right to receive Lease Payments, Sublease Payments and Prepayment Price thereunder and any interest of Lessor in Equipment may be assigned and reassigned in whole or in part to one or more assignees or subassignees by Lessor at any time subsequent to its execution, without the necessity of obtaining the consent of Lessee or Sublessee; provided, however, that no such assignment or reassignment shall be effective and binding on Lessee or Sublessee unless and until (a) Lessee or Sublessee shall have received notice of the assignment or reassignment disclosing the name and address of the assignee or subassignee, and (b) in the event that such assignment or reassignment is made to a bank or trust company as trustee for holders of certificates representing interests in one or more Lease Payments incurred under an Agreement, such bank or trust company agrees to maintain, or cause to be maintained, a book-entry system by which a record of the names and addresses of such holders as of any particular time is kept and agrees, upon request of Lessee, to furnish such information to Lessee. Lessee and Sublessee agree to execute all documents, including notices of assignment and chattel mortgages or financing statements, which may be reasonably requested by Lessor or its assignee to protect its interest in the Equipment, this Master Lease and Sublease Agreement and the Agreements. Upon notice of such assignment, Lessee (subject to **Section 3.04(b)**) and Sublessee agree to pay directly to the assignee or subassignee without abatement, deduction or setoff all amounts which become due under the applicable Agreement, and neither Lessee (subject to **Section 3.04(b)**) nor Sublessee shall assert against the assignee or subassignee any defense, claim, counterclaim or setoff for any reason whatsoever in any action for payment or possession brought by the assignee or subassignee.

Section 8.02. No Sale, Assignment or Leasing by Sublessee. Neither this Master Lease and Sublease Agreement, any Agreement nor the interest of Sublessee in any of the Equipment may be sold, assumed, assigned or encumbered by Sublessee. No agreement or interest therein and no Equipment shall be subject to involuntary assignment, lease, transfer or sale or to assignment, lease, transfer or sale by operation of law in any manner whatsoever except as expressly provided in the applicable Agreement.

ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES

Section 9.01. Events of Default. The following constitute "Events of Default" under each Agreement:

(a) failure by Sublessee to pay to Lessor, as assignee of Lessee, when due any Sublease Payment or any other amount required to be paid under any Agreement or under any related document or agreement; or

(b) failure by Sublessee to pay when due any payment required to be paid under any other agreement between Lessor or any of its affiliates and Sublessee; or

(c) failure by Sublessee to maintain insurance on the Equipment in accordance with **Section 6.03**; or

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

(e) with respect to any of Lessee's Reserved Rights, failure of Sublessee to:

(x) make any payment, or observe and perform any covenant, condition or agreement, on its part to be paid, observed and performed, under **Section 6.13**,

(y) make any payment (except as provided in clause (x) above) on its part to be paid under any Agreement and the continuance of such failure for 20 days after written notice is given to Sublessee by Lessee specifying such failure and directing it be remedied, or

(z) pay, observe and perform any other payment, covenant, condition or agreement on its part to be paid, observed and performed under any Agreement (except as provided in clauses (x) and (y) above), and the continuance of such failure for 30 days after written notice is given to Sublessee by Lessee specifying such failure and directing it be remedied, provided, however, that, if the failure stated in such notice cannot be corrected within such 30-day period, Lessee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Sublessee within the applicable period and diligently pursued until the default is corrected; or

(f) initiation by Sublessee or Lessee of a proceeding under any federal or state bankruptcy or insolvency law seeking relief under such laws concerning the indebtedness of Sublessee or Lessee; or

(g) Sublessee or Lessee shall be or become insolvent, or admit in writing its inability to pay its debts as they mature, or make an assignment for the benefit of creditors; or Sublessee or Lessee shall

apply for or consent to the appointment of any receiver, trustee or similar officer for it or for all or any substantial part of its property; or such receiver, trustee or similar officer shall be appointed without the application or consent of Sublessee or Lessee, as the case may be; or Sublessee or Lessee shall institute (by petition, application, answer, consent or otherwise) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, dissolution, liquidation or similar proceeding relating to it under the laws of any jurisdiction; or any such proceeding shall be instituted (by petition, application or otherwise) against Sublessee or Lessee; or any judgment, writ, warrant of attachment or execution or similar process shall be issued or levied against a substantial part of the property of Sublessee or Lessee; or

(h) (1) Sublessee or Lessee has made any material false or misleading statement or representation in connection with this Master Lease and Sublease Agreement or an Agreement, or (2) Sublessee or Lessee sells, assigns, leases or otherwise transfers or encumbers all or any part of its interest in an Agreement or the Equipment, except as provided in the applicable Agreement.

Section 9.02. Remedies on Default. Whenever any Event of Default shall have occurred and be continuing under an Agreement, Lessor shall have the right, at its sole option without any further demand or notice, to take any one or any combination of the following remedial actions:

(a) by notice to Lessee and Sublessee, declare the then applicable Prepayment Price, all accrued and unpaid interest components of the Lease Payments (and the related Sublease Payments) and all amounts payable under the Agreement to be forthwith due and payable, whereupon such Lease Payments (and the related Sublease Payments), all such accrued interest and all such amounts shall become and be forthwith due and payable, without presentment, notice of dishonor, protest or further notice of any kind, all of which are hereby expressly waived by Sublessee and Lessee;

(b) require Sublessee to assemble the Equipment at a place reasonably convenient to both Lessor and Sublessee; and use or operate the Equipment for the purpose of preserving it;

(c) without notice to Sublessee except as required by law, take possession of the Equipment wherever situated, without any court order or other process of law and without liability for entering the premises, and sell any or all of the Equipment at a public or private sale, or otherwise dispose of, hold, operate, lease or sublease to others or keep idle the Equipment, with 10 days notice to Sublessee, all free and clear of any rights of Sublessee and Lessee; provided that any and all such actions be taken in a commercially reasonable manner, all proceeds from such sale, use, operation, lease or other disposition to be applied in the following manner:

FIRST, to pay all proper and reasonable costs and expenses associated with the recovery, repair, storage and sale of the Equipment, including reasonable attorneys' fees and expenses;

SECOND, to pay (i) Lessor the amount of all unpaid Sublease Payments, if any, which are then due and owing, together with interest and late charges thereon, (ii) Lessor the then applicable Prepayment Price (taking into account the payment of past due Sublease Payments as aforesaid), plus a pro rata allocation of interest, at the rate utilized to establish the interest component for the Sublease Payment next due pursuant to the applicable Schedule, from the next preceding due date of a Sublease Payment until the date of payment by the buyer, (iii) to the United States any rebatable arbitrage due or accrued pursuant to Section 148(f)(4) of the Code, and (iv)

to Lessor and Lessee any other amounts due hereunder, including indemnity payments, Additional Payments and other amounts payable to Lessor or Lessee hereunder; and

THIRD, to pay the remainder of any such proceeds, purchase moneys or other amounts paid by a buyer of the Equipment or other Person, to Sublessee so long as that amount is not required to be paid to any other Person;

with Sublessee remaining liable for any amounts specified in clauses FIRST and SECOND to the extent not paid to Lessor hereunder;

(d) proceed by appropriate court action to enforce performance by Lessee or Sublessee of the applicable covenants of the Agreement or to recover for the breach thereof, including the payment of all amounts due from Sublessee, in which event Sublessee shall pay or repay to Lessor all costs of such action or court action including without limitation, reasonable attorneys' fees;

(e) take whatever action at law or in equity may appear necessary or desirable to enforce its rights with respect to the Equipment, in which event Sublessee shall pay or repay to Lessor and Lessee all costs of such action or court action, including, without limitation, reasonable attorneys' fees; and

(f) terminate any unfunded commitments Lessor may have to Sublessee.

Notwithstanding any other remedy exercised hereunder, Sublessee shall remain obligated to pay to Lessor any unpaid Sublease Payments and Prepayment Price. To the extent permitted by applicable law, Sublessee hereby waives any rights now or hereafter conferred by statute or otherwise which might require Lessor to use, sell, lease or otherwise dispose of any Equipment in mitigation of Lessor's damages or which might otherwise limit or modify any of Lessor's rights hereunder.

All of Sublessee's right, title and interest in any Equipment the possession of which is taken by Lessor upon the occurrence of an Event of Default (including, without limitation, construction contracts, warranties, guaranties or completion assurances applicable to such Equipment) shall pass to Lessor, and Sublessee's rights in such Equipment shall terminate immediately upon such repossession.

Upon the occurrence of an Event of Default with respect to any of the Lessee's Reserved Rights, Lessee, without the consent of Lessor or any other Person, may proceed to enforce Lessee's Reserved Rights by (i) bringing an action for damages, injunction or specific performance; and/or (ii) taking whatever action at law or in equity as may appear necessary or desirable to collect payment of amounts due under an Agreement. Notwithstanding the foregoing, Lessee shall not enforce Lessee's Reserved Rights as provided in the immediately preceding sentence until 30 days following the date on which Lessee provides written notice of its intent to exercise such remedies to Lessor and Sublessee. Lessor may, but shall not be obligated to, cure any such Event of Default in the manner and with the effect set forth in **Section 6.06**.

Section 9.03. Return of Equipment. Upon an Event of Default or as otherwise required herein or in any Agreement, Sublessee shall within 10 days after notice from Lessor, at its own cost and expense: (a) perform any testing and repairs required to place the Equipment in the condition required, cause the Equipment to be deinstalled, disassembled and crated by an authorized manufacturer's representative or such other service person as is satisfactory to Lessor; and (b) deliver the Equipment to

a location specified by Lessor, freight and insurance prepaid by Sublessee. If Sublessee refuses to deliver the Equipment in the manner designated, Lessor may enter upon Sublessee's premises where the Equipment is kept and take possession of the Equipment and charge to Sublessee the costs of such taking. Sublessee hereby expressly waives any damages occasioned by such taking. In the event that Sublessee makes modifications to a site after any Equipment has been installed therein and such modifications impede the removal of the Equipment, the cost of removing the impediments and restoring the site shall be the sole expense of Sublessee.

Section 9.04. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessee or Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under each Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessee or Lessor to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice other than such notice as may be required by this **Article IX**. All remedies herein conferred upon or reserved to Lessee or Lessor shall survive the termination of this Master Lease and Sublease Agreement or any Agreement.

Section 9.05. Late Charge; Interest on Late Payment. Any Sublease Payment, Additional Payments or other amounts payable by Sublessee to or for the benefit of Lessee or Lessor hereunder and not paid by Sublessee on the due date thereof or amounts advanced by Lessor under **Section 6.06** shall, to the extent permissible by law, bear a late charge equal to 5% of the amount of the past due Sublease Payment, Additional Payments or other amounts. In addition, any amounts unpaid (including accelerated balances) or so advanced will bear interest at the lesser of 1.3% per month or the highest rate permitted by law from the due date (whether before or after a Default) or the date advanced until the date paid.

Section 9.06. Agreement to Pay Attorneys' Fees and Expenses. In the event Sublessee defaults under any of the provisions of any Agreement, and Lessee or Lessor employs attorneys or incurs other expenses for the collection of Sublease Payments or other amounts payable hereunder or the enforcement of performance or observance of any obligation or agreement on the part of Sublessee herein or therein contained, Sublessee agrees that it will on demand therefor pay to Lessee and Lessor the reasonable fees and disbursements of such attorneys and such other expenses so incurred.

ARTICLE X MISCELLANEOUS

Section 10.01. Disclaimer of Warranties. LESSOR AND LESSEE MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, COMPLIANCE WITH SPECIFICATIONS, QUALITY OF MATERIALS, WORKMANSHIP, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, USE OR OPERATION, SAFETY, PATENT, TRADEMARK OR COPYRIGHT INFRINGEMENT, TITLE OR FITNESS FOR USE OF THE EQUIPMENT, OR ANY COMPONENT THEREOF OR ANY OTHER WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT THERETO AND, AS TO LESSOR AND LESSEE, SUBLESSEE'S PURCHASE OF THE EQUIPMENT SHALL BE ON AN "AS IS" BASIS. All such risks, as between Lessor, Lessee and Sublessee, are to be borne by Sublessee. Without limiting the foregoing, Lessor and

Lessee shall have no responsibility or liability to Sublessee or any other Person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by the Equipment, any inadequacy thereof, any deficiency or defect (latent or otherwise) therein, or any other circumstances in connection therewith; (ii) the use, operation or performance of the Equipment or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of the Equipment. If and so long as, no Default or Event of Default exists, Sublessee shall be, and hereby is, authorized during the term of an Agreement to assert and enforce, at Sublessee's sole cost and expense and in Sublessee's own name, from time to time, any claims and rights against the Vendor under any Purchase Agreement, and Sublessee will indemnify Lessor and Lessee in connection with any such action taken.

Section 10.02. Vendor's Warranties. Sublessee shall assert against Vendor from time to time whatever claims and rights, including warranties of the Equipment, that Sublessee may have with respect to the Equipment. Sublessee's sole remedy for the breach of any such warranty, indemnification or representation shall be against the Vendor of the Equipment, and not against either or both of Lessor and Lessee, nor shall such matter have any effect whatsoever on the rights and obligations of Lessee or Lessor with respect to any Agreement, including the right to receive full and timely payments under any Agreement. Sublessee expressly acknowledges that Lessor makes and Lessee makes, and has made hereunder, no representation or warranty whatsoever as to the existence or availability of such warranties of the Vendor of the Equipment.

Section 10.03. Limitations of Liability.

(a) In no event, whether as a result of breach of contract, warranty, tort (including negligence or strict liability), indemnity or otherwise, shall Lessor, its assignees, if any, or Lessee, or their respective agents, employees, members, officers or directors be liable for any special, consequential, incidental or penal damages arising in connection with the Equipment, any Agreement or this Master Lease and Sublease Agreement, including, but not limited to, loss of profit or revenue, loss of use of the Equipment or any associated equipment, service materials or software, damage to associated equipment, service materials or software, cost of capital, cost of substitute equipment, service materials or software, facilities, services or replacement power, down time costs or claims of Sublessee's patients or constituents for such damages, and Sublessee shall indemnify and hold harmless Lessor, its assignees, if any, and Lessee and their respective agents, employees, members, officers and directors from any such damages (except to the extent caused by the gross negligence or wrongful intentional acts or omissions of the indemnified party).

(b) No recourse shall be had for the payment of any Lease Payment or for any claim based thereon or upon any obligation, covenant or agreement in this Master Lease and Sublease Agreement or any Agreement against any past, present or future member of the Board of Directors of Lessee, or any officer, employee, member or agent of Lessee, either directly or through Lessee, under any rule of law or penalty or otherwise, and all such liability of any such member of the Board of Directors, officer, member, employee or agent of Lessee is hereby expressly waived and released as a condition of, and in consideration for, the execution and delivery of this Master Lease and Sublease Agreement.

(c) Sublessee and Lessor each acknowledge that Lessee and its members, directors, officers, agents and employees have made no arrangements and do not intend to make any arrangements to furnish, obtain, investigate or verify any information or disclosure provided or made in connection with

this Master Lease and Sublease Agreement or any Agreement or to provide annual financial statements or other credit information to the Lessor on a periodic or other basis. To the extent that Lessee is required by law to provide any such information or disclosure or otherwise deems it appropriate to require that any such information or disclosure is provided on a periodic or other basis, Sublessee will pay Lessee's costs of providing the same and will provide all information reasonably requested from time to time by Lessee or its agents.

Section 10.04. Additional Payments. Sublessee shall pay to Lessor the following amounts, all of which are "Additional Payments" hereunder, in addition to the Sublease Payments payable by Sublessee: such amounts in each year as shall be required by Lessor in payment of any reasonable costs and expenses, incurred by Lessor in connection with the execution, performance or enforcement of this Master Lease and Sublease Agreement or any Agreement, the financing of the Equipment, including but not limited to payment of all reasonable fees, costs and expenses and all reasonable administrative costs of Lessor in connection with the Equipment, reasonable expenses (including, without limitation, attorneys' fees and disbursements), reasonable fees of auditors or attorneys, insurance premiums not otherwise paid hereunder and all other reasonable, direct and necessary administrative costs of Lessor or charges required to be paid by it in order to comply with the terms of, or to enforce its rights under, each Agreement. Such Additional Payments shall be billed to Sublessee by Lessor from time to time, together with a statement certifying that the amount so billed has been paid or incurred by Lessor for one or more of the items described, or that such amount is then payable by Lessor for such items. Amounts so billed shall be due and payable by Sublessee within 30 days after receipt of the bill by Sublessee.

Section 10.05. Notices. All notices, certificates, requests, demands and other communications provided for hereunder or under an Agreement shall be in writing and shall be (a) personally delivered, (b) sent by Registered class United States mail, (c) sent by overnight courier of national reputation, or (d) transmitted by telecopy, in each case addressed to the party to whom notice is being given at its address as set forth above and, if telecopied, transmitted to that party at its telecopier number set forth above and confirmed by telephone at the telephone number set forth above or, as to each party, at such other address or telecopier number as may hereafter be designated by such party in a written notice to the other party complying as to delivery with the terms of this Section. All such notices, requests, demands and other communications shall be deemed to have been given on (a) the date received if personally delivered, (b) when deposited in the mail if delivered by mail, (c) the date sent if sent by overnight courier, or (d) the date of transmission if delivered by telecopy. If notice to Sublessee of any intended disposition of the Equipment or any other intended action is required by law in a particular instance, such notice shall be deemed commercially reasonable if given (in the manner specified in this Section) at least 10 days prior to the date of intended disposition or other action.

Section 10.06. Binding Effect; Time of the Essence. This Master Lease and Sublease Agreement and each Agreement shall inure to the benefit of and shall be binding upon Lessor, Lessee, Sublessee and their respective successors and permitted assigns, if any. Time is of the essence.

Section 10.07. Severability. In the event any provision of this Master Lease and Sublease Agreement or any Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.08. Amendments. To the extent permitted by law, the terms of this Master Lease and Sublease Agreement and the Agreements shall not be waived, altered, modified, supplemented or amended in any manner whatsoever except by written instrument signed by the parties hereto, and then

such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given.

Sublessee and Lessor agree to amend **Attachment 1** to each Schedule to more specifically identify the Equipment being financed hereunder at such time as such identification is possible. Such amendment shall be effected by written instrument signed by Sublessee and Lessor. Lessee's consent to the amendment referred to in this paragraph shall not be required. Such amendment may take the form of a Payment Request Form in the form attached to the related Escrow Agreement as **Exhibit A** executed by Sublessee and approved for payment by Lessor.

Section 10.09. Execution in Counterparts. This Master Lease and Sublease Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

Section 10.10. Applicable Law. This Master Lease and Sublease Agreement and each Agreement shall be governed by and construed in accordance with the laws of the State.

Section 10.11. Jury Trial Waiver. LESSOR, LESSEE AND SUBLESSEE HEREBY WAIVE, TO THE EXTENT PERMITTED BY LAW, THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF, DIRECTLY OR INDIRECTLY, THIS MASTER LEASE AND SUBLEASE AGREEMENT, ANY AGREEMENT OR ANY OF THE RELATED DOCUMENTS, ANY DEALINGS AMONG LESSOR, LESSEE OR SUBLESSEE RELATING TO THE SUBJECT MATTER OF THE TRANSACTIONS CONTEMPLATED BY THIS MASTER LEASE AND SUBLEASE AGREEMENT OR ANY RELATED TRANSACTIONS, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED AMONG LESSOR, LESSEE AND SUBLESSEE. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT (INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS). THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS MASTER LEASE AND SUBLEASE AGREEMENT, THE AGREEMENTS, ANY RELATED DOCUMENTS, OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS MASTER LEASE AND SUBLEASE AGREEMENT OR ANY AGREEMENT OR ANY RELATED TRANSACTIONS. IN THE EVENT OF LITIGATION, THIS MASTER LEASE AND SUBLEASE AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

Section 10.12. Captions. The captions or headings in this Master Lease and Sublease Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Master Lease and Sublease Agreement.

Section 10.13. Entire Agreement. Each Schedule, including exhibits and attachments thereto and the provisions of this Master Lease and Sublease Agreement as incorporated therein, constitutes the entire agreement among Lessor, Lessee and Sublessee with respect to that Schedule. There are no understandings, agreements, representations or warranties, express or implied, not specified herein or therein regarding this Master Lease and Sublease Agreement, the Agreements or the Equipment

financed hereunder and thereunder. Any terms and conditions of any Purchase Agreement or other document submitted by Sublessee in connection with this Master Lease and Sublease Agreement or any Agreement which are in addition to or inconsistent with the terms and conditions of this Master Lease and Sublease Agreement or such Agreement will not be binding on Lessor or Lessee and will not apply to this Master Lease and Sublease Agreement or such Agreement.e

Section 10.14. Waiver. Lessor's or Lessee's failure to enforce at any time or for any period of time any provision of this Master Lease and Sublease Agreement or an Agreement shall not be construed to be a waiver of such provision or of the right of Lessor or Lessee thereafter to enforce each and every provision. No express or implied waiver by Lessor of any default or remedy of default shall constitute a waiver of any other default or remedy of default or a waiver of any of Lessor's rights.

Section 10.15. No Recourse Under Any Agreement. All covenants, stipulations, promises, agreements and obligation of Lessee contained in any Escrow Agreement, any Tax Compliance Agreement, this Master Lease and Sublease Agreement or any Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of Lessee and not of any member, director, officer, employee or agent of Lessee in his individual capacity, and no recourse shall be had for payment of any Lease Payment or for any claim based thereon or hereunder against any member, director, officer, employee or agent of Lessee or any natural person executing any document.

Section 10.16. Survivability. All of the indemnities, waivers and limitations of liability contained in this Master Lease and Sublease Agreement or an Agreement shall continue in full force and effect notwithstanding the expiration or early termination of this Master Lease and Sublease Agreement or such Agreement and are expressly made for the benefit of, and shall be enforceable by, Lessor and Lessee, or their successors and assigns.

Section 10.17. Usury. It is the intention of the parties hereto to comply with any applicable usury laws; accordingly, it is agreed that, notwithstanding any provisions to the contrary in any Agreement, in no event shall any Agreement require the payment or permit the collection of interest or any amount in the nature of interest or fees in excess of the maximum permitted by applicable law. If acceleration, prepayment or any other charges upon the principal or any portion thereof, or any other circumstance, result in the computation or earning of interest or any amount in the nature of interest, in excess of the highest lawful rate, then any and all such excess is hereby waived and shall be applied against the remaining principal balance. Without limiting the generality of the foregoing, and notwithstanding anything to the contrary contained herein or otherwise, no deposit of funds shall be required in connection herewith which will, when deducted from the principal amount outstanding hereunder, cause the rate of interest hereunder to exceed the highest lawful rate.

IN WITNESS WHEREOF, the parties hereto have caused this Master Lease and Sublease Agreement to be executed in their respective corporate names by their duly authorized officers, all as of the date first written above.

Lessor: HONEYWELL GLOBAL FINANCE LLC

By: ___

Title: _

Lessee: [NAME OF LESSEE]

By: ___

Title: _

Sublessee: [NAME OF SUBLESSEE]

By: ___

Title: _____

Trade Names of Sublessee, if any:

[EXECUTION PAGE OF MASTER LEASE AND SUBLEASE AGREEMENT]

EXHIBIT A TO MASTER LEASE AND SUBLEASE AGREEMENT

**Form of Schedule for Lease
with One Dollar End of Term Purchase**

Schedule No. ____
To Master Lease and Sublease Agreement
Dated as of [Date of Master Lease and Sublease Agreement]
By and Among
Honeywell Global Finance LLC, as Lessor
And
[Name of Lessee], as Lessee
And
[Name of Sublessee], as Sublessee

THIS SCHEDULE NO. _____ (this "Agreement") to the Master Lease and Sublease Agreement identified above (the "Master Lease and Sublease Agreement") is entered into as of _____, by and among Honeywell Global Finance LLC ("Lessor"), [Name of Lessee] ("Lessee"), and [Name of Sublessee] ("Sublessee"). All of the provisions of the Master Lease and Sublease Agreement are incorporated herein by reference and capitalized terms used herein and not defined shall have the meanings assigned them in the Master Lease and Sublease Agreement. To the extent the provisions of the Master Lease and Sublease Agreement conflict with the provisions of this Agreement, the provisions of this Agreement shall control.

1. This Agreement constitutes a lease and sublease agreement with respect to the Equipment set forth on **Attachment 1** hereto (the "Equipment"). Lessor hereby leases to Lessee and Lessee hereby leases from Lessor, and Lessee subleases to Sublessee and Sublessee subleases from Lessee, the Equipment for the term and the Lease Payments and Sublease Payments set forth in **Attachment 2** hereto upon the terms and subject to the provisions of this Agreement.

2. Sublessee hereby certifies that the description of the Equipment set forth in **Attachment 1** hereto is accurate and reasonably identifies it for UCC purposes. Such Equipment shall be located at the following address:

Street Address	City	County
State		

3. The proceeds in connection with this Agreement are \$ _____, of which not more than \$ _____ may be used for payment of Issuance Costs. The proceeds shall be disbursed in accordance with the terms of this Agreement[, the related Escrow Agreement] and Sublessee's Payment Instructions in the form included in the Ancillary Document Forms Package. The date and amount of the Lease Payments and the Sublease Payments (including the principal and interest components thereof) and the Prepayment Prices are as set forth in **Attachment 2** hereto.

4. The Sublease Payments shall be paid directly to Lessor, as Lessee's assignee, and credited against the Lease Payments. All other payments due under this Agreement are to be paid to Lessor at the following address:

5. Upon expiration of the term of this Agreement in accordance with **Section 3.08(a)** of the Master Lease and Sublease Agreement, provided that no Default or Event of Default exists, Sublessee shall purchase free and clear of Lessor's interest in all, but not less than all, of the Equipment subject to this Agreement for \$1.00 cash, together with all taxes and charges upon transfer and all other reasonable and documented expenses incurred by Lessor in connection with such transfer. Upon satisfaction of the conditions specified in this paragraph, Lessor will transfer, AS IS, WHERE IS, without recourse or warranty, express or implied, of any kind whatsoever, all of Lessor's right, title and interest in and to the Equipment, except that Lessor shall represent and warrant that the Equipment is free and clear of all liens and encumbrances by or through Lessor except as specified in the immediately preceding sentence and other than those liens and encumbrances Sublessee is obligated to discharge. Lessor shall not be required to make, and hereby specifically disclaims, any representation or warranty as to the condition of the Equipment or any other matters.

6. Sublessee represents, covenants and warrants that (a) all of its representations and warranties contained in the Master Lease and Sublease Agreement were true and accurate as of the date made, remain true and accurate as of the date of this Agreement and are hereby reaffirmed, (b) it has fully and timely performed, and will continue to fully and timely perform, all of its obligations under the Master Lease and Sublease Agreement and each Agreement and the related Tax Compliance Agreement, (c) no event has occurred and is continuing or would result from the execution and delivery of this Agreement or the actions contemplated by the Agreement which constitutes a Default, an Event of Default or a Determination of Taxability, and (d) none of the Equipment is or will become a fixture on real estate.

7. Lessee represents, covenants and warrants that (a) all of its representations and warranties contained in the Master Lease and Sublease Agreement were true and accurate as of the date made, remain true and accurate as of the date of this Agreement and are hereby reaffirmed, and (b) it has fully and timely performed, and will continue to fully and timely perform, all of its obligations under the Master Lease and Sublease Agreement and each Agreement.

8. This Schedule may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument

[9. The Sublease Payments and Lease Payments under this Agreement shall not be subject to prepayment pursuant to **Section 3.07(a)** of the Master Lease and Sublease Agreement prior to _____, _____.]

[10. Sublessee covenants and agrees to comply with the maintenance provisions set forth in **Attachment 3** hereto, which provisions are hereby incorporated by reference into this Agreement.]

STATEMENT OF INTENT. It is the intent of the parties that for federal, state and local income tax purposes: (i) the transaction between Lessor and Lessee contemplated hereby will be a conditional sale or financing arrangement consisting of a loan from the Lessor directly to the Lessee, and the Lessee acquiring and being deemed the owner of the Equipment; and (ii) the transaction between Lessee and

Sublessee contemplated hereby will be a conditional sale or financing arrangement consisting of a loan from the Lessee directly to the Sublessee, and the Sublessee acquiring and being deemed the owner of the Equipment. For tax purposes, the parties shall take no action or file any return or other document inconsistent with such intentions unless otherwise required by U.S. federal, state or local tax law or as directed by the Internal Revenue Service or a similar state tax authority.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the date first written above.

Lessor: HONEYWELL GLOBAL FINANCE LLC

By: ___

Title: _

Lessee: [NAME OF LESSEE]

By: ___

Title: _

Sublessee: [NAME OF SUBLESSEE]

By: ___

Title: _____

Trade Names of Sublessee, if any:

FOR PURPOSES OF (A) PERFECTION UNDER ARTICLE 9 OF THE UCC, ONLY THE SCHEDULE MARKED "ORIGINAL 1 OF 4" ON THE EXECUTION PAGE HEREOF SHALL CONSTITUTE CHATTEL PAPER UNDER THE UCC AND (B) SALE OR TRANSFER OF THE AGREEMENT, ONLY THE SCHEDULE MARKED "ORIGINAL 1 OF 4" ON THE EXECUTION PAGE HEREOF SHALL BE TRANSFERABLE OR ASSIGNABLE, AND THE SALE, TRANSFER OR ASSIGNMENT OF ANY OTHER SCHEDULE SHALL BE INEFFECTIVE TO TRANSFER ANY RIGHT, TITLE AND INTEREST IN THE AGREEMENT.

ORIGINAL: ____ OF 4

SCHEDULE NO. _____ TO MASTER LEASE AND SUBLEASE AGREEMENT

ATTACHMENT 1 TO SCHEDULE NO. _____
TO MASTER LEASE AND SUBLEASE AGREEMENT
DATED AS OF [DATE OF MASTER LEASE AND SUBLEASE AGREEMENT]

Equipment Description

This **ATTACHMENT 1 IS TO SCHEDULE NO. _____** to Master Lease and Sublease Agreement dated as of [Date of Master Lease and Sublease Agreement], among Honeywell Global Finance LLC, as Lessor, [Name of Lessee], as Lessee, and [Name of Sublessee], as Sublessee.

DESCRIPTION

DOLLAR AMOUNT

ATTACHMENT 2 TO SCHEDULE NO. _____
TO MASTER LEASE AND SUBLEASE AGREEMENT
DATED AS OF [DATE OF MASTER LEASE AND SUBLEASE AGREEMENT]

Lease Payment/Sublease Payment Schedule

This ATTACHMENT 2 IS TO SCHEDULE NO. _____ to Master Lease and Sublease Agreement dated as of [Date of Master Lease and Sublease Agreement], among Honeywell Global Finance LLC, as Lessor, [Name of Lessee], as Lessee, and [Name of Sublessee], as Sublessee.

<u>Payment Date</u>	<u>Lease Payment/ Sublease Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Prepayment Price*</u>
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* After payment of the Lease Payment and the Sublease Payment due on the same date and all other amounts then due and payable by Sublessee.

**ATTACHMENT 3 TO SCHEDULE NO. _____
TO MASTER LEASE AND SUBLEASE AGREEMENT
DATED AS OF [DATE OF MASTER LEASE AND SUBLEASE AGREEMENT]**

Additional Maintenance Provisions

This **ATTACHMENT 3 IS TO SCHEDULE NO. _____** to Master Lease and Sublease Agreement dated as of [Date of Master Lease and Sublease Agreement], among Honeywell Global Finance LLC, as Lessor, [Name of Lessee], as Lessee, and [Name of Sublessee], as Sublessee.

EXHIBIT B TO MASTER LEASE AND SUBLEASE AGREEMENT

**Form of Schedule for Lease
with Return, Purchase and Extension Options**

**Schedule No. _____
To Master Lease and Sublease Agreement
Dated as of [Date of Master Lease and Sublease Agreement]
By and Among
Honeywell Global Finance LLC, as Lessor
And
[Name of Lessee], as Lessee
And
[Name of Sublessee], as Sublessee**

THIS SCHEDULE NO. _____ (this "Agreement") to the Master Lease and Sublease Agreement identified above (the "Master Lease and Sublease Agreement") is entered into as of _____, by and among Honeywell Global Finance LLC ("Lessor"), [Name of Lessee] ("Lessee"), and [Name of Sublessee] ("Sublessee"). All of the provisions of the Master Lease and Sublease Agreement are incorporated herein by reference and capitalized terms used herein and not defined shall have the meanings assigned them in the Master Lease and Sublease Agreement. To the extent the provisions of the Master Lease and Sublease Agreement conflict with the provisions of this Agreement, the provisions of this Agreement shall control.

1. This Agreement constitutes a lease and sublease agreement with respect to the Equipment set forth on **Attachment 1** hereto (the "Equipment"). Lessor hereby leases to Lessee and Lessee hereby leases from Lessor, and Lessee subleases to Sublessee and Sublessee subleases from Lessee, the Equipment for the term and the Lease Payments and Sublease Payments set forth in **Attachment 2** hereto upon the terms and subject to the provisions of this Agreement.

2. Sublessee hereby certifies that the description of the Equipment set forth in **Attachment 1** hereto is accurate and reasonably identifies it for UCC purposes. Such Equipment shall be located at the following address:

Street Address City County State

3. The proceeds in connection with this Agreement are \$ _____, of which not more than \$ _____ may be used for Issuance Costs. The proceeds shall be disbursed in accordance with the terms of this Agreement[, the related Escrow Agreement] and Sublessee's Payment Instructions in the form included in the Ancillary Document Forms Package. The date and amount of the Lease Payments and the Sublease Payments (including the principal and interest components thereof) and the Prepayment Prices are as set forth in **Attachment 2** hereto.

4. The Sublease Payments shall be paid directly to Lessor, as Lessee's assignee, and credited against the Lease Payments. All other payments due under this Agreement are to be paid to Lessor at the following address:

Honeywell Global Finance LLC

_____, _____

5. Provided that no Default or Event of Default exists under this Agreement or any other Agreement and this Agreement has not otherwise been terminated, Sublessee shall have the option on _____, ____ (such date may be referred to herein as the "Termination Date" and the period from the date of this Agreement to and including the Termination Date may be referred to herein as the "Initial Term") to return or purchase all (but not less than all) of the Equipment identified on **Attachment 1** hereto or renew the term of this Agreement with respect to all (but not less than all) of the Equipment identified on **Attachment 1** hereto, all upon the following terms and conditions:

(a) *Return.* Sublessee shall have the option at the end of the Initial Term to return to Lessor all (but not less than all) of the Equipment described on **Attachment 1** hereto as to which this Agreement has not otherwise been terminated in accordance with the terms hereof upon the following terms and conditions: If Sublessee desires to exercise this option, Sublessee shall (i) pay to Lessor on the Termination Date, in addition to the Sublease Payment then due on such date and all other sums then due hereunder, an amount equal to the Purchase Option Amount (as hereinafter defined), and (ii) return the Equipment to Lessor in accordance with Section 9.03 of the Master Lease and Sublease Agreement and this Subsection (a). Lessor shall arrange for the commercially reasonable sale, scrap or other disposition of such Equipment. Upon the sale, scrap or other disposition of the Equipment, the "Net Proceeds" (which shall be the gross proceeds less all costs, taxes, charges, expenses and fees, including storage, maintenance and other remarketing fees incurred in connection with the sale, scrap or disposition of such Equipment and all other amounts then due and owing under the Lease), if any, of such sale will be paid to Lessee. If the Net Proceeds are less than the difference between the Purchase Option Amount and \$ _____ (the "Sublessee Maximum Obligation on the Termination Date"), then Lessor will pay to Sublessee the amount of such shortfall.

If Sublessee elects to return the Equipment as provided in this subsection, in addition to the return provisions contained in **Section 9.03** of the Master Lease and Sublease Agreement, Sublessee shall, at its expense, comply with the following requirements:

(i) At least 180 days but not more than 270 days prior to the Termination Date, Sublessee shall provide to Lessor a detailed list of all components of the Equipment. The list shall include (without limitation) a listing of model and serial numbers for all components comprising the Equipment.

(ii) At least 180 days prior to the Termination Date, Sublessee shall:

(A) with respect to computer-based equipment comprising the Equipment, provide to Lessor a reasonably detailed listing of all hardware comprising the Equipment and a listing of all software features listed individually;

(B) upon receiving reasonable notice from Lessor, provide or cause the vendors or manufacturers of the Equipment to provide to Lessor the following documents: (1) one set of service manuals and operating manuals, including replacements and/or additions thereto, such that all documentation is up to date; (2) one set of documents detailing equipment configuration, operating requirements, maintenance records and other technical data concerning the set-up and operation of the Equipment, including replacements and/or additions thereto, such that all documentation is up to date;

(C) upon receiving reasonable notice from Lessor, make the Equipment available for onsite operational inspections by potential purchasers, and provide personnel, power and other requirements necessary to demonstrate electrical and mechanical systems for each item of the Equipment; and

(D) cause manufacturers' representatives or qualified equipment maintenance providers, acceptable to Lessor, to perform a comprehensive physical inspection, including testing all material and workmanship of the Equipment; and if during such inspection, examination and test, the authorized inspector finds any of the material or workmanship to be defective or the Equipment not operating within manufacturers' specifications, then Sublessee shall repair or replace such defective material and, after corrective measures are completed, Sublessee shall provide for a follow-up inspection of the Equipment by the authorized inspector as outlined in this clause.

(iii) Sublessee shall return each item of Equipment with an in-depth field service report provided by the manufacturers' representatives or qualified equipment maintenance providers performing said inspection as outlined in the preceding Subparagraph (a)(ii)(D), which report shall certify that the Equipment has been properly inspected, examined and tested and is operating within the manufacturer's specifications.

(iv) Sublessee shall cause all Equipment to be clean and cosmetically acceptable (including degreased, steam-cleaned, sterilized and free of all rust or corrosion) in the same condition as when received by Lessee, taking into account reasonable wear, and in such condition so that it may be immediately installed and placed into use in a similar environment.

(v) Sublessee shall properly remove all of Sublessee-installed markings that are not necessary for the operation, maintenance or repair of the Equipment.

(vi) Sublessee shall ensure that all Equipment and equipment operations conform to all applicable local, state and federal laws and health and safety guidelines, including (without limitation) the then current FDA regulations.

(vii) Sublessee shall ensure that the Equipment is mechanically and structurally sound, capable of performing the functions for which the Equipment was originally designed, in accordance with the manufacturers' published and recommended specifications.

(viii) Sublessee shall provide for the deinstallation, packing, transporting and certifying of the Equipment, including (without limitation) the following: (A) when deinstallation is required, the manufacturers' representative shall deinstall all Equipment (including all wire, cable and mounting hardware) in accordance with the specifications of the manufacturers; (B) each item of Equipment shall be returned with a certificate supplied by the manufacturers' representatives certifying the Equipment to be in good condition and (where applicable) to be eligible for the manufacturers' maintenance plans; (C) the certificate of eligibility shall be transferable to another operator of the Equipment; (D) the Equipment shall be packed properly and in accordance with the manufacturers' recommendations; and (E) the Equipment shall be transported in a manner consistent with the manufacturers' recommendations and practices.

(ix) Upon sale of the Equipment to a third party or at any other time specified by Lessor, Sublessee shall provide transportation to not more than one individual location anywhere in the continental United States selected by Lessor.

(x) Sublessee shall obtain and pay for a policy of transit insurance for the redelivery period in an amount equal to the replacement value of the Equipment and Lessor shall be named as the loss payee on all such policies of insurance.

(xi) Sublessee shall provide insurance and safe, secure storage for the Equipment for 90 days after the Termination Date at one accessible location satisfactory to Lessor.

(xii) With regard to any Equipment that has been modified or reconfigured, Sublessee shall return or restore the Equipment to its original configuration, as specified by the manufacturers, except for any modification or reconfiguration done with Lessor's prior written consent.

(xiii) Sublessee will insure that the Equipment is free of all liens and encumbrances and will deliver to Lessor all documents (in form and substance satisfactory to Lessor) necessary or requested by Lessor to transfer title to the Equipment to Lessor or to another transferee designated by Lessor free of all liens and encumbrances.

(b) *Purchase.* If Sublessee has not exercised its option to return all the Equipment in accordance with **Subparagraph (a)** above, on the Termination Date Sublessee may purchase free and clear of Lessor's interest all (but not less than all) of the Equipment upon the following terms and conditions: If Sublessee desires to exercise this option with respect to the Equipment, Sublessee shall pay to Lessor in cash \$ _____ (the "Purchase Option Amount"), together with all Sublease Payments and other sums then due and owing on such date, plus all taxes and charges upon sale and all other reasonable and documented expenses incurred by Lessor in connection with such sale, including, without limitation, any such expenses incurred based on a notice from Sublessee to Lessor that Sublessee intended to return any such items of Equipment. Upon satisfaction of the conditions specified in this **Subparagraph (b)**, Lessor will transfer, AS IS, WHERE IS, without recourse or warranty, express or implied, of any kind whatsoever, all of Lessor's interest in and to the Equipment, except that Lessor shall represent and warrant that the Equipment is free and clear of all liens and encumbrances by or through Lessor other than any liens or encumbrances that Sublessee is obligated under this Agreement to discharge. Except as specified in the immediately preceding sentence, Lessor shall not be required to make and may specifically disclaim any representation or warranty as to the condition of such Equipment and other matters.

(c) *Extension.* So long as Sublessee shall not have exercised its options pursuant to Subparagraphs (a) and (b) above, Sublessee shall have the option, on the Termination Date, to extend this Agreement with respect to all, but not less than all, of the Equipment subject hereto for an additional term of 12 months (the "Renewal Term"), with Lease Payments and Sublease Payments (including principal and interest components thereof) during the Renewal Term to be due on the same days of the same months as Lease Payments and Sublease Payments are due during the Initial Term, being in equal amounts, and with the amount of each of those Lease Payments and Sublease Payments (being the aggregate of the principal and interest components thereof) being the amount necessary to fully amortize the Purchase Option Amount on a level payment basis during the Renewal Term at a finance rate factor based on an interest rate per annum equal to _____. At the end of the Renewal Term, provided that Sublessee is not then in default under this Agreement or any other agreement between Lessor and Sublessee, Sublessee shall purchase free and clear of Lessor's interest all, but not less than all, of such Equipment for \$1.00 cash, together with all Sublease Payments and other sums then due on such date, plus all taxes and charges upon transfer and all other reasonable and documented expenses incurred by Lessor in connection with such transfer. Upon satisfaction of the conditions specified in this Subparagraph (c), Lessor will transfer, AS IS, WHERE IS, without recourse or warranty, express or implied, of any kind whatsoever, all of Lessor's interest in and to the Equipment, except that Lessor shall represent and warrant that the Equipment is free and clear of all liens and encum-

branches by or through Lessor other than any liens or encumbrances that Sublessee is obligated under this Agreement to discharge. Except as specified in the immediately preceding sentence, Lessor shall not be required to make, and hereby specifically disclaims, any representation or warranty as to the condition of the Equipment or any other matters.

(d) *Notice of Election.* Sublessee shall give Lessor written notice of its election of an option specified in this **Paragraph 5** not less than 270 days nor more than 365 days before the expiration of the Initial Term. Such election shall be effective with respect to all Equipment subject to this Agreement. If Sublessee fails timely to provide such notice and comply with all other requirements of the option elected, without further action, Sublessee automatically and irrevocably shall be deemed to have elected to purchase the Equipment pursuant to **Subparagraph (b)** above.

6. Sublessee represents and covenants that the Initial Term will not exceed 75% of the estimated economic life of the Equipment identified on **Attachment 1** hereto.

7. Sublessee represents and covenants as of the commencement date of the Initial Term, the present value (using a discount rate equal to the rate implicit in this Agreement) of the sum of the Lease Payments and the Sublessee Maximum Obligation on the Termination Date is less than 90% of the fair market value of the Equipment identified on Attachment 1 hereto as of the commencement date of the Initial Term.

8. Sublessee represents, covenants and warrants that: (a) all of its representations and warranties contained in the Master Lease and Sublease Agreement were true and accurate as of the date made, remain true and accurate as of the date of this Agreement and are hereby reaffirmed; (b) it has fully and timely performed, and will continue to fully and timely perform, all of its obligations under the Master Lease and Sublease Agreement and each Agreement and the related Tax Compliance Agreement; (c) no event has occurred and is continuing or would result from the execution and delivery of this Agreement or the actions contemplated by the Agreement which constitutes a Default, an Event of Default or a Determination of Taxability; (d) none of the Equipment is or will become a fixture on real estate; and (e) **Lessor has rendered no advice, and made no representation, regarding any treatment of the Agreement for accounting or tax purposes, and Sublessee is relying upon its own analysis and advisors regarding such treatment.**

9. Lessee represents, covenants and warrants that (a) all of its representations and warranties contained in the Master Lease and Sublease Agreement were true and accurate as of the date made, remain true and accurate as of the date of this Agreement and are hereby reaffirmed, and (b) it has fully and timely performed, and will continue to fully and timely perform, all of its obligations under the Master Lease and Sublease Agreement and each Agreement.

10. This Schedule may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

[11. The Sublease Payments and Lease Payments under this Agreement shall not be subject to prepayment pursuant to **Section 3.07(a)** of the Master Lease and Sublease Agreement prior to _____.]

[12. Sublessee covenants and agrees to comply with the maintenance provisions set forth in **Attachment 3** hereto, which provisions are hereby incorporated by reference into this Agreement.]

STATEMENT OF INTENT. It is the intent of the parties that for federal, state and local income tax purposes: (i) the transaction between Lessor and Lessee contemplated hereby will be a conditional sale or financing arrangement consisting of a loan from the Lessor directly to the Lessee, and the Lessee acquiring and being deemed the owner of the Equipment; and (ii) the transaction between Lessee and Sublessee contemplated hereby will be a conditional sale or financing arrangement consisting of a loan

from the Lessee directly to the Sublessee, and the Sublessee acquiring and being deemed the owner of the Equipment. For tax purposes, the parties shall take no action or file any return or other document inconsistent with such intentions unless otherwise required by U.S. federal, state or local tax law or as directed by the Internal Revenue Service or a similar state tax authority.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the date first written above.

Lessor: HONEYWELL GLOBAL FINANCE LLC

By: ___

Title: _

Lessee: [NAME OF LESSEE]

By: ___

Title: _

Sublessee: [NAME OF SUBLESSEE]

By: ___

Title: _____

Trade Names of Sublessee, if any:

FOR PURPOSES OF (A) PERFECTION UNDER ARTICLE 9 OF THE UCC, ONLY THE SCHEDULE MARKED "ORIGINAL 1 OF 4" ON THE EXECUTION PAGE HEREOF SHALL CONSTITUTE CHATTEL PAPER UNDER THE UCC AND (B) SALE OR TRANSFER OF THE AGREEMENT, ONLY THE SCHEDULE MARKED "ORIGINAL 1 OF 4" ON THE EXECUTION PAGE HEREOF SHALL BE TRANSFERABLE OR ASSIGNABLE, AND THE SALE, TRANSFER OR ASSIGNMENT OF ANY OTHER SCHEDULE SHALL BE INEFFECTIVE TO TRANSFER ANY RIGHT, TITLE OR INTEREST IN THE AGREEMENT.

ORIGINAL: ____ OF 4

SCHEDULE NO. _____ TO MASTER LEASE AND SUBLEASE AGREEMENT

ATTACHMENT 1 TO SCHEDULE NO. _____
TO MASTER LEASE AND SUBLEASE AGREEMENT
DATED AS OF [DATE OF MASTER LEASE AND SUBLEASE AGREEMENT]

Equipment Description

This **ATTACHMENT 1 IS TO SCHEDULE NO. _____** to Master Lease and Sublease Agreement dated as of [Date of Master Lease and Sublease Agreement], among Honeywell Global Finance LLC, as Lessor, [Name of Lessee], as Lessee, and [Name of Sublessee], as Sublessee.

DESCRIPTION

DOLLAR AMOUNT

ATTACHMENT 2 TO SCHEDULE NO. _____
TO MASTER LEASE AND SUBLEASE AGREEMENT
DATED AS OF [DATE OF MASTER LEASE AND SUBLEASE AGREEMENT]

Lease Payment/Sublease Payment Schedule

This ATTACHMENT 2 IS TO SCHEDULE NO. _____ to Master Lease and Sublease Agreement dated as of [Date of Master Lease and Sublease Agreement], among Honeywell Global Finance LLC, as Lessor, [Name of Lessee], as Lessee, and [Name of Sublessee], as Sublessee.

<u>Payment Date</u>	<u>Lease Payment/ Sublease Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Prepayment Price*</u>
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* After payment of the Lease Payment and the Sublease Payment due on the same date and all other amounts then due and payable by Sublessee.

**ATTACHMENT 3 TO SCHEDULE NO. _____
TO MASTER LEASE AND SUBLEASE AGREEMENT
DATED AS OF [DATE OF MASTER LEASE AND SUBLEASE AGREEMENT]**

Additional Maintenance Provisions

This ATTACHMENT 3 IS TO SCHEDULE NO. _____ to Master Lease and Sublease Agreement dated as of [Date of Master Lease and Sublease Agreement], among Honeywell Global Finance LLC, as Lessor, [Name of Lessee], as Lessee, and [Name of Sublessee], as Sublessee.

AMENDED DRAFT

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. __-07HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES; CHAPTER 16, LICENSES AND MISCELLANEOUS BUSINESS REGULATIONS; ARTICLE I, IN GENERAL; SO AS TO STANDARDIZE THIS SECTION CLOSER TO BUSINESS LICENSE ORDINANCES STATEWIDE.

WHEREAS, the Municipal Association of South Carolina has developed a Model Business License Ordinance for the municipalities of this state, and

WHEREAS, this Model Ordinance establishes a straightforward rate structure based upon federally established identification codes to classify businesses and an eight rate class structure, and

WHEREAS, a uniform business license ordinance adopted by multiple jurisdictions helps businesses comply with the business license ordinance by making the ordinance standardized across the state, and

WHEREAS, the Municipal Association's Model Business License Ordinance was first modified by Charleston County to make it appropriate and lawful for Counties to use and emulate, and Richland County modified Charleston County's ordinance to make it more responsive to Richland County's business licensing needs and priorities;

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

SECTION I. The Richland County Code of Ordinances; Chapter 16, Licenses and Miscellaneous Business Regulations; Article I, In General; is hereby amended by the deletion of the language contained therein and the substitution of the following language:

ARTICLE I. BUSINESS LICENSES

Section 16-1. License Required.

- (1) Every person engaged or intending to engage in any calling, business, occupation or profession, whether or not it is listed in the rate classification index portion of this chapter, in whole or in part, within the unincorporated areas of the county is required to submit a completed application for a business license accompanied by the appropriate fees for the privilege of doing business in the county and to obtain a business license as herein provided, except those as noted in Section 16-7.

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AMENDED DRAFT

- (2) Any business holding a state occupational license or registering with the Secretary of State's Office listing an address in unincorporated Richland County creates a presumption of business conduct and thus requires the business to have a business license. Other State agencies, professional organizations, or County departments who have a record for the business listing an address in unincorporated Richland County also create a presumption of business conduct and requires the business to have a business license.

Section 16-2. Definitions.

The following words, terms, and phrases, when used in this article shall have the meaning ascribed herein, except where the context clearly indicates or requires a different meaning:

- (1) "*Business*" means a calling, occupation, profession or activity engaged in with the object of gain, benefit or advantage, either directly or indirectly. A charitable organization shall be deemed a business unless the entire proceeds of its operation are devoted to charitable purposes.
- (2) "*Charitable organization*" means a person:
- (a) determined by the Internal Revenue Service to be a tax exempt organization pursuant to Section 501(c)(3) of the Internal Revenue Code; or
 - (b) that is or holds itself out to be established for any benevolent, social welfare, scientific, educational, environmental, philanthropic, humane, patriotic, public health, civic, or other eleemosynary purpose, or for the benefit of law enforcement personnel, firefighters, or other persons who protect the public safety; or
 - (c) that employs a charitable appeal as the basis of solicitation or an appeal that suggests that there is a charitable purpose to a solicitation, or that solicits or obtains contributions solicited from the public for a charitable purpose.
- (3) "*Charitable purpose*" means a purpose described in Section 501(c)(3) of the Internal Revenue Code or a benevolent, social welfare, scientific, educational, environmental, philanthropic, humane, patriotic, public health, civic, or other eleemosynary objective, including an objective of an organization of law enforcement personnel, firefighters, or other persons who protect the public safety if a stated purpose of the solicitations includes a benefit to a person outside the actual service membership of the organization.
- (4) "*Classification*" means a division of businesses by major groups subject to the same license rate as determined by a calculated index of ability to pay based on national averages, benefits, equalization of tax burden, relationships of services, or other basis deemed appropriate by County Council.

AMENDED DRAFT

- (5) “*Construction Manager*” means any self-employed individual, firm, partnership, corporation, or group which supervises or coordinates construction of any building, highway, sewer, grading, improvement, re-improvement, structure, or part thereof. Notwithstanding payment by fixed price, commission, fee, or wage, said “construction manager” shall be classified in the category of “construction contractors” for purposes of this article and shall pay a license fee based upon the total cost of the undertaking supervised or coordinated, except as otherwise exempted.
- (6) “*Contractor*” means any self-employed individual (not reporting income taxes on the IRS Form W2), firm, partnership, corporation, or group performing a service or providing a product subsequent to a contract signed by that party and another party.
- (7) “*County*” means the County of Richland.
- (8) “*Gross income*” means the total revenue of a business, received or accrued, for one (1) calendar or fiscal year, collected or to be collected by a business within the county, excepting therefrom business done wholly outside of the county on which a license fee is paid to some other county or a municipality and fully reported to Richland County.
- Gross income for brokers or agents means gross commissions received or retained, unless otherwise specified. Gross income for business license fee purposes shall not include taxes collected for a governmental entity (such as sales taxes), escrow funds, or funds that are the property of a third party. The value of bartered goods or trade-in merchandise shall be included in gross income. The gross income for business license purposes may be verified by inspection of returns and reports filed with the Internal Revenue Service, the South Carolina Department of Revenue, the South Carolina Department of Insurance, or other government agency.
- (9) “*Gross receipts*” means the value proceeding or accruing from the sale of tangible personal property, including merchandise and commodities of any kind and character and all receipts, by the reason of any business engaged in, including interest, dividends, discounts, rentals of real estate or royalties, without any deduction on account of the cost of the property sold, the cost of the materials used, labor or service cost, interest paid, or any other expenses whatsoever, and without any deductions on account of losses.
- (10) “*License official*” means a county employee who is designated to administer this article, and/or his/her designee(s).
- (11) “*Person*” means any individual, firm, partnership, LLP, LLC, cooperative, nonprofit membership, corporation, joint venture, professional association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a business in the absence of the principals.

AMENDED DRAFT

Section 16-3. Purpose and Duration.

The business license levied by this article is for the purpose of providing such regulation as may be required by the businesses subject thereto and for the purpose of raising revenue for the general fund through a privilege tax. Each license that is issued shall be valid for one calendar year, beginning on January 1 and expiring on December 31. This time period shall be considered a license year. The provisions of this article and the rates set out in this article shall remain in effect from year to year as amended by the County Council.

Section 16-4. License Fee.

- (1) The required license fee shall be paid for each business subject to this article according to the applicable rate classification on or before March 15 of each year.
- (2) A separate license shall be required for each place of business and for each classification of business conducted at one place. If gross income cannot be separated for classifications at one location, the license fee shall be computed on the combined gross income for the classification requiring the highest rate.
- (3) A license fee based on gross income shall be computed on the gross income for the preceding calendar or fiscal year, and on a 12-month projected income based on the monthly average for a business in operation for less than one year. The fee for a new business shall be computed on the estimated or probable gross income stated in the license application for the balance of the calendar year, or if the estimated or probable gross income is unknown, shall be computed on the average actual first-year income of all similar businesses, identified by NAICS codes, and updated prior to renewing for the following year.
- (3) Unless otherwise specifically provided, all minimum fees and rates shall be multiplied by 200 percent (200%) for nonresidents and for itinerants having no fixed principal place of business within the county.

Section 16-5. Classification and Rates.

- (1) The County Council shall establish and approve a Business License Fee Schedule providing a business license rate for each Class of businesses subject to this article.
- (2) The sectors of businesses included in each Rate Class are listed with the United States North American Industry Classification System (NAICS) codes. The alphabetical index in the Business License Fee Schedule is a tool for classification, not a limitation on businesses subject to a license fee. The License Official shall determine the proper class for a business according to the applicable NAICS manual or website, whether or not the business is listed in the alphabetical index.

AMENDED DRAFT

- (3) Any business license covering a year prior to 2008 but obtained on or after January 1, 2008 will be calculated based on the rate structure established in the Business License Fee Schedule and with the rates in the Business License Fee Schedule in effect at the time the business license is obtained.
- (4) (a) One decal shall be required for each vehicle used by contractor companies for going to and from job sites to identify their business as being properly licensed. Decals shall cost no more and no less than the cost to produce the decal, rounded up to the nearest quarter value.
- (b) Taxis, limos, and shuttles shall post one taxi or shuttle decal on each vehicle. Vehicles registered in Richland County shall be charged \$110 per decal; vehicles not registered in Richland County shall be charged \$165 per decal.
- (5) (a) All rates, including the cost of decals and stickers, shall be automatically adjusted every three years by July 1, to be effective the following January 1, to account for changes in the Consumer Price Index (CPI). The adjustment shall be made in the following manner: the CPI, using the CPI calculation used by the County in other contexts, for the previous three years shall be determined and averaged together. The rates described in the Business License Fee Schedule shall be increased by the sum of the three-year average CPI for each of the last three years. (Rates shall be rounded up to the nearest nickel value; fees for decals and stickers shall be rounded up to the nearest quarter value.)
- (b) If County Council increases the rates independent of the automatic CPI increases, the next CPI increase shall not be calculated until the third year, by July 1, following the County Council increase.

Section 16-6. Registration Required.

- (1) The owner, agent, or legal representative of every business subject to this article, whether listed in the classification index or not, shall register the business and make application for a business license on or before the due date of each year. A new business shall be required to have a business license prior to operation within any unincorporated area of the county.
- (2) Application shall be on a form provided by the License Official which shall contain the Social Security Number and/or the Federal Employer's Identification Number, the South Carolina Retail License Number (if applicable), the business name as reported on the South Carolina income tax return, the business name as it appears to the public at the physical location, and all information about the applicant and the business deemed appropriate to carry out the purpose of this article by the License Official. Applicants may be required to submit copies of portions of state and federal income tax returns reflecting gross income figures.

AMENDED DRAFT

- (3) The applicant shall certify under oath that the information given in the application is true, that the gross income is accurately reported, or estimated for a new business, without any unauthorized deductions, that all funds due to the County have been paid, and that all other licenses and permits required by the County or State to do business in the County have been obtained.
- (4) No business license shall be issued until the applicant satisfies all indebtedness to the County, all other licenses and permits required by the County or State to do business in the County have been obtained, and first submits documents necessary to establish compliance with Richland County Zoning Ordinance, Building Code, Electrical Code, Mechanical Code, Plumbing Code, Roofing Code and other regulatory Codes as adopted by the County Council.
- (5) Insurance agents and brokers shall report the name of each insurance company for which a policy was issued and the total premiums collected for each company for each type of insurance coverage on a form approved by the License Official. An insurance agent not employed by an insurance company or employed by more than one insurance company shall be licensed as a broker.
- (6) Fireworks Sales: Any establishment desiring to sell fireworks must first acquire the Annual State Board of Pyrotechnic Safety License and must meet all regulations pursuant to the provisions of Regulation 19-405, S.C. Code of Laws for 1976. Prior approval of the Richland County Sheriff's Department is required as governed by regulations of the State Fire Marshal pursuant to the 1976 Code, Chapter 9 of Title 23, and Chapter 43 of Title 39, governing the transportation and use of pyrotechnics.
- (7) Miscellaneous Sales (Antique Malls, Flea Markets or Leased Space Sales): Any person leasing space for the sale of merchandise from an established business shall be required to have a business license, whether or not the sales are made through a central cash register. Furthermore, it shall be the responsibility of the lessor of the spaces to advise the business license office of persons leasing space.

Section 16-7. Deductions, Exemptions, Charitable Organizations, and Determination of Classification.

- (1) No deductions from gross income shall be made except income from business done wholly outside of the county jurisdiction on which a license fee is paid to another county or to any municipality, taxes collected for a governmental entity, or income which cannot be taxed pursuant to State or Federal law. The applicant shall have the burden to establish the right to deduction by satisfactory records and proof by including with the business license application, either new or renewing, a separate itemized list showing all deductions claimed, or no deductions will be allowed. Deductions will be approved as authorized by this section.

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- (2) No person shall be exempt from the requirements of this article by reason of the lack of an established place of business within the County, unless exempted by State or Federal law. No person shall be exempt from this article by reason of the payment of any other tax or fee, unless exempted by State law, and no person shall be relieved of the liability for the payment of any other tax or fee by reason of the application of this article.
- (3) In lieu of the license required by Section 16-1, a participant in a single annual event of not more than ten consecutive calendar days in length may be issued a permit at the rate of \$10.00 on gross income on the first \$10,000.00 and \$1.20 on each additional \$1,000.00 of gross income or fraction thereof. This permit will be valid only for the time period specified thereon and can be obtained for no more than one event annually. Organizers of such events may pay for and obtain a business license on behalf on all its vendors at a rate of \$10 per vendor or on the previous year's income generated by the event based upon the rate above, whichever is greater.

Inspections prior to the issuance of a permit may be waived. Inspections may be conducted during the event. For purposes of this subsection, an event is defined as participation by a group of exhibitors or others where displays are established in individual booths or stalls for the purpose of presenting to the audience goods, wares, merchandise or services offered for sale, rent or promotional purposes or for the general good will of the exhibitors. An event may be a trade show, an antique show, a craft show, or any other type of show fitting this definition.

- (4) Businesses and individuals defined as "contractor" herein shall be exempt from the provisions of this article in the following manner:

The business license fee shall be reduced by excluding that portion of the business' gross income generated from work done for which a Richland County building permit was obtained and a building permit fee paid (by either the general contractor or subcontractor responsible for that work), pursuant to the provisions of Section 6-51 of the Richland County Code of Ordinances.

If all income of a contractor is generated from work done for which a building permit fee is paid (by either the general contractor or subcontractor responsible for that work), said contractor shall be exempt from paying any business license fee. Such an exempt contractor shall still submit a business license application by the deadline with documentation attached establishing such contractor's right to an exemption.

Income generated from work done for which a Richland County building permit is not required, such as general repairs, shall be subject to a business license fee on that income.

- (5) Charitable organizations which have exemptions from state and federal income taxes and/or

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AMENDED DRAFT

are 501(c)(3) organizations according to the IRS Tax Code and where all proceeds are devoted to charitable purposes are exempt from a business license fee. Documentation of the claim to this exemption must be provided.

- (6) The provisions of this article shall not extend to persons who grow their own agricultural produce or products, and use the Columbia State Farmers' Market, or other farmers' markets officially recognized by the County, to sell their produce directly to consumers.
- (7) The license official shall determine the appropriate classification for each business.

Section 16-8. False Application Unlawful.

It shall be unlawful for any person subject to the provisions of this article to make a false application for a business license, or to give or file, or direct the giving or filing of any false information with respect to the license or fee required by this article.

Section 16-9. Display and Transfer.

- (1) All persons shall display the license, with the business name as it appears at the physical location, issued to them on the original form provided by the License Official in a conspicuous place in the business establishment at the physical location shown on the license. A transient or non-resident shall carry the license upon his or her person or in a vehicle used in the business readily available for inspection by any authorized agent of the County. Authenticated copies shall be available at an additional cost per copy, established by the License Official.
- (2) A change of address must be reported to the License Official within ten (10) business days after removal of the business to a new location and the license will be valid at the new address upon written notification of the License Official and compliance with zoning and building codes. Failure to obtain the approval of the License Official for a change of address shall invalidate the license and subject the licensee to prosecution for doing business without a license. A business license shall not be transferable, and a transfer of controlling interest shall be considered a termination of the old business and the establishment of a new business requiring a new business license, based on the prior business' income.

Section 16-10. Administration, Enforcement Duties of License Official.

- (1) The License Official shall administer the provisions of this article, collect license fees, issue licenses, make or initiate investigations and audits to ensure compliance, initiate denial or revocation procedures, report violations to the appropriate department, and assist in prosecution of violators, produce forms, make reasonable regulations relating to the administration of this article, and perform such other duties as may be assigned by the County Administrator.

AMENDED DRAFT

- (2) The Planning Department, Fire Marshal's Office, and Sheriff's Department, in addition to the License Official, are hereby empowered to make or initiate investigations to ensure compliance with the provisions of this article and to initiate prosecution of violations. These offices, in addition to the License Official, shall also have the authority to order that a business with no permanent business location immediately cease operations in the event no current valid Richland County Business License has been issued. (Doing business at an officially recognized Farmers Market within Richland County shall be considered as having a permanent business location).

Section 16-11. Inspection and Audits.

- (1) For the purpose of enforcing the provisions of this article, the License Official or other authorized agent of the County is empowered to enter upon the premises of any person subject to this article to make inspections and to examine and audit books and records. It shall be unlawful for any such person to fail or refuse to make available the necessary books and records. In the event an audit or inspection reveals that the licensee has filed false information, the costs of the audit shall be added to the correct license fee and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper amount of license fee shall constitute a separate offense.
- (2) The License Official shall make systematic and random inspections and audits of all businesses within the county to ensure compliance with this article. Records of inspections and audits shall not be deemed public records, and the License Official shall not release the amount of license fees paid or the reported gross income of any person by name without written permission of the licensee, provided that statistics compiled by classifications may be made public.
- (3) The License Official, upon approval of the County Administrator, may disclose gross income of licensees to the Internal Revenue Service, State Departments of Revenue, Richland County Auditor, Richland County Business Service Center Appeals Board, and other State, County, and municipal business license offices for the purpose of assisting tax assessments, tax collections, and enforcement. Such disclosures shall be for internal, confidential, and official use of these governmental agencies and shall not be deemed public records.

Section 16-12. Assessments.

- (1) When a person fails to obtain a business license or to furnish the information required by this article or by the License Official, the License Official shall proceed to examine such records of the business or any other available records as may be appropriate and to conduct such investigations and statistical surveys as the License Official may deem appropriate to assess a license fee and penalties as provided herein.
- (2) A notice of assessment shall be served by certified mail. An application for adjustment of the

AMENDED DRAFT

assessment may be made to the License Official within five (5) business days after the notice is mailed or the assessment will become final. The License Official shall establish by regulation the procedure for hearing an application for adjustment of assessment and issuing a notice of final assessment.

- (3) A final assessment may be appealed to the Business Service Center Appeals Board, as described in Section 16-18.

Section 16-13. Delinquent License Fees, Partial Payment.

- (1) A license fee shall be considered delinquent if all or any part of such fee has not been paid on or before March 15 of each calendar year. Businesses providing business license payments by the deadline but which have: a) indebtedness to the County, or b) have not yet obtained other necessary permits or licenses, or c) have not met other requirements necessary to obtain a business license, shall accrue penalties until the indebtedness is cleared, the permits or licenses obtained, or met the other requirements necessary to obtain a business license, at which time the business license application processing may continue.
- (2) For non-payment of all or any part of the correct license fee, the License Official shall levy and collect a late penalty of five (5%) percent of the unpaid fee for each month or portion thereof after the due date until paid. Penalties shall not be waived. If any license fee shall remain unpaid for sixty (60) days after its due date, the License Official shall issue an execution which shall constitute a lien upon the property of the licensee for the fee, penalties and costs of collection, and shall proceed to collect in the same manner as prescribed by law for the collection of other taxes.
- (2) Partial payment may be accepted by the License Official to toll imposition of penalties on the portion paid; provided, however, no business license shall be issued or renewed until the full amount of the balance due, with penalties, has been paid.

Section 16-14. Notices.

The License Official may, but shall not be required to, mail written notices that license fees are due. If notices are not mailed, there shall be published a notice of the due date in a newspaper of general circulation within the county three (3) times prior to the due date in each year. Failure to receive notice shall not constitute a defense to prosecution for failure to pay the fee due or grounds for waiver of penalties.

Section 16-15. Denial of License.

- (1) The License Official may deny a license to an applicant when
 - (a) the application is incomplete;

Deleted: shall

AMENDED DRAFT

- (b) the application contains a misrepresentation, false or misleading statement, evasion or suppression of a material fact;
- (c) the applicant has given a bad check or tendered illegal consideration for any license fee;
- (d) the applicant has been convicted of an offense(s) under a law or article regulating or relating to business, a crime involving moral turpitude, or an unlawful sale of merchandise or prohibited goods;
- (e) the applicant has been convicted of engaging in an unlawful activity or nuisance related to the business;
- (f) the activity for which a license is sought by a business is unlawful or constitutes a public nuisance per se;
- (g) the business, regardless of ownership, has proven to be a public nuisance; or
- (h) the business owner has proven to be a public nuisance.

A decision of the License Official shall be subject to appeal to the Business Service Center Appeals Board as herein provided. Denial shall be written with reasons stated.

- (2) (a) ~~The License Official may deny the same licensee or the licensee's agent or any person who can be shown to be acting on the licensee's behalf in attempting to do business in the County for a period of three years from the time of a revocation or a denial of a business license.~~

Deleted: For a period of three years from the time of a revocation or a denial of a business license, no business license shall be granted to

- (b) For a period of one year after a revocation or a denial, no business license shall be granted to any applicant for the operation of the same or similar type of business in the same location without a detailed report compiled from County, State, and/or municipal departments with knowledge or information acquired on the new applicant and the proposed business activity. If the report supports a finding that the new applicant and proposed activity will circumvent the effect of the business license revocation or denial, or that issuance of a new license will perpetuate the conditions giving rise to the revocation or denial, then no new license shall be issued.

Section 16-16. Sexually Oriented Businesses, Drinking Places, or other similar establishments

- (1) No license to operate a sexually oriented business, drinking place, or other similar establishment shall be issued to, or in the name of, a corporation, association, or a trade name as such. Any application for a corporation, association, or trade name shall be made by the officers for its use, and such officers shall identify in the application the name by which the business will be operated. In addition, such officers in making an application shall be held to assume all responsibility there under as individuals, and shall be subject to all the provisions and penalties set forth herein or in any other article of the Richland County Code of Ordinances.

AMENDED DRAFT

- (2) No person shall be eligible for such license if he/she or the person who will have actual control and management of the business proposed to be operated:
- (a) is a minor;
 - ~~(b) is not of good repute, as evidenced by a background check or by conducting a reference check with law enforcement agencies; or~~
 - (c) has had a license revoked or denied under the provisions of this article within a three-year period immediately preceding the filing of the application.
- (3) Applicants for businesses herein described, in addition to the license application(s) required under Section 16-1 of this article, shall complete a sworn, notarized statement on a form prepared by the License Official for the purpose of establishing his/her qualifications to operate a business identified in this section. The owner(s) of the premises whereon such business is proposed to be located shall signify their consent to the application by signing and notarizing the form in an appropriate place provided therein or on a separate form established for this purpose.
- ~~(4) Owners of sexually oriented businesses and/or drinking establishments are responsible for ensuring all their contractors have current, valid business licenses and maintain a list of their current contractors' names, business license numbers, and a copy of a photo ID for each contractor on file.~~

Deleted: (b) is not a citizen of South Carolina.¶

Deleted: not been a bona fide resident of and maintained his/her principal place of abode in Richland County for at least one year prior to date of application, with documentation provided;¶
(d) is not of good repute, as evidenced by a background check or by conducting a reference check with law enforcement agencies; or ¶
(e) has

Deleted: licensing official

Section 16-17: Suspension or Revocation of License.

When the License Official determines that:

- (a) a license has been mistakenly or improperly issued or issued *contrary to law*; or
- (b) a licensee has breached any condition upon which the license was issued or has failed to comply with any provision of this article; or
- (c) a licensee has obtained a license through a fraud, misrepresentation, a false or misleading statement, evasion or suppression of a material fact in the license application; or has given a bad check or tendered illegal consideration for any license fee; or
- (d) a licensee has been convicted of an offense under a law or article regulating or relating to business, a crime involving moral turpitude, or an unlawful sale of merchandise or prohibited goods; or
- (e) a licensee has been convicted of engaging in an *unlawful activity or nuisance related to the business*; or
- (f) the activity for which a license was obtained has proven to be a public nuisance per se; or
- (g) the business, regardless of ownership, has proven to be a public nuisance; or

AMENDED DRAFT

(h) The business owner has proven to be a public nuisance;

the License Official shall give written notice to the licensee or the person in control of the business within the County by personal service or certified mail that the license is suspended pending a hearing before the Business Service Center Appeals Board for the purpose of determining whether the license should be revoked. The notice shall state the time and place at which the hearing is to be held, which shall be within thirty (30) days from the date of service of the notice, or as soon as reasonably possible. The notice shall contain a brief statement of the reasons for suspension and proposed revocation and a copy of the applicable provisions of this article.

Section 16-18. Appeals.

- (1) Any person aggrieved by a final assessment, charge backs from an audit, or a denial of a business license by the License Official may appeal the decision to the Business Service Center Appeals Board by written request stating the reasons therefore. The appeal must be filed with the License Official within ten calendar (10) days after the payment of the assessment, or the charge backs of the audit, under protest or notice of denial is received. A written notice of appeal must be accompanied ~~with a \$25~~ by an administrative fee (which shall be determined by the License Official) that will be used to partially defray the costs incurred in connection with the administration of appeals. Payment under protest shall be a condition precedent to appeal. The fee will be refunded in the event of final resolution of the appeal in favor of the appellant.
- (2) An appeal or a hearing on revocation shall be held by the Appeals Board within thirty (30) calendar days, or as soon as reasonably possible, after receipt of a request for appeal or service of notice of suspension. The applicant or licensee shall be given written notice as to the date and time of the meeting. At the meeting, all parties have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The rules of evidence and procedure prescribed by the Board shall govern the hearing.

The Board shall, by majority vote of members present, render a written decision based upon findings of fact and the application of the standards herein which shall be served upon all parties or their representatives within fifteen (15) calendar days, or as soon as reasonably possible, after the hearing. The decision of the Board shall be final unless appealed to County Council with ten (10) calendar days after service of the Board's decision. County Council shall review the record and without further hearing affirm, modify, or deny the appeal in the event of an error by the Board. The decision of Council shall be final unless appealed to a court of competent jurisdiction within ten (10) calendar days after service of County Council's decision.

Section 16-19. Consent, Franchise or Business License Fee Required.

AMENDED DRAFT

The annual fee for use of streets or public places authorized by a consent agreement or franchise agreement shall be set pursuant to the agreement, and shall be consistent with limits set by State law. Existing franchise agreements shall continue in effect until expiration dates in the agreements. Franchise and consent fees shall not be in lieu of or be credited against business license fees unless specifically provided by the franchise or consent agreement.

Section 16-20. Confidentiality.

Except in accordance with proper judicial order, pursuant to an appeal, or as otherwise provided by law, it shall be unlawful for any official or employee to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any report or return required under this article. Nothing in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns.

Section 16-21. Violations.

Any person violating any provision of this article shall be deemed guilty of a misdemeanor and upon conviction shall be subject to punishment under the general penalty provisions of Section 1-8 of this Code of Ordinances: that is, shall be subject to a fine of up to \$500.00 or imprisonment for not more than thirty (30) days or both. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent fees, penalties, and costs provided for herein.

SECTION II. Severability. If any section, subsection, or clause of this article shall be deemed unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. All sections of this ordinance, with the exception of Section 16-5 of Article I, shall be effective on and after _____. Section 16-5, Classification and Rates, shall be effective on and after January 1, 2008; and Section 16-19 of Ordinance # 050-03HR shall remain in effect through December 31, 2007.

RICHLAND COUNTY COUNCIL

BY: _____
Joseph McEachern, Chair

ATTEST THIS THE ____ DAY

AMENDED DRAFT

OF _____, 2007

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

First Reading: April 3, 2007
Second Reading: July 10, 2007,
Public Hearing: July 24, 2007 (tentative)
Third Reading: July 24, 2007 (tentative)

Deleted: (tentative)

DRAFT

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ____-07HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES; CHAPTER 17, MOTOR VEHICLES AND TRAFFIC; ARTICLE I, REGULATIONS REGARDING COUNTY OWNED OR LEASED PROPERTY; SECTION 17-2, PARKING ON COUNTY OFFICE PROPERTY; SUBPARAGRAPH (A)(6); SO THAT THE COUNTY FINANCE DEPARTMENT WILL DETERMINE AND SET THE COST FOR A PARKING DECAL.

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

SECTION I. The Richland County Code of Ordinances; Chapter 17, Motor Vehicles and Traffic; Article I, Regulations Regarding County Owned or Leased Property; Section 17-2, Parking on County Office Property; Subparagraph (a)(6); is hereby amended to read as follows:

- (6) The first decal will be issued at no charge. This decal shall be placed on the left rear bumper (and left front bumper if two (2) decals are issued). If a decal is desired by an individual for a second or alternative vehicle, the cost per decal will be ~~fifty cents (\$.50)~~ an amount set by the county finance department, based on the current cost to obtain parking decals per decal. This fee will be paid to the ~~county~~ finance department.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be effective from and after _____, 2007.

RICHLAND COUNTY COUNCIL

BY: _____
Joseph McEachern, Chair

ATTEST THIS THE ____ DAY

OF _____, 2007

Michielle R. Cannon-Finch
Clerk of Council

First Reading: July 10, 2007
Second Reading: July 24, 2007 (tentative)
Public Hearing:
Third Reading:

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-07HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 2, ADMINISTRATION; ARTICLE III, ADMINISTRATIVE OFFICES AND OFFICERS; DIVISION 3. ASSISTANT COUNTY ADMINISTRATOR.

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

SECTION I. The Richland County Code of Ordinances, Chapter 2, Administration; Article III, Administrative Offices and Officers; Division 3. Assistant County Administrator; is hereby amended to read as follows:

DIVISION 3. ASSISTANT COUNTY ADMINISTRATORS

Sec. 2-97. Position created; selection; appointment.

There is are hereby created ~~the~~ three (3) positions of assistant county administrator. The assistant county administrators shall be selected and appointed by the county administrator and shall serve at the pleasure of the county administrator with no definite term of office assigned.

Sec. 2-98. Qualifications; compensation.

The assistant county administrators shall be appointed solely on the basis of merit, including executive and/or administrative qualifications with special emphasis on education, training, experience, and knowledge of the duties of the office. Preference will be given to individuals with a graduate degree in the field(s) of public administration, business administration, or some other related discipline. The assistant county administrators shall be paid an annual salary as recommended by the county administrator and approved by county council.

Sec. 2-99. Responsibilities; powers; duties.

The duties and responsibilities of the assistant county administrators shall be:

- (1) To serve as assistant to the county administrator;
- (2) To plan and direct budget studies, research projects and manpower needs;
- (3) To assist in formulating administrative policies;

- (4) To represent and speak for the county administrator in meetings with boards, commissions, citizens groups and officials of various public agencies;
- (5) To collect, compile and interpret data on policies, functions, organization structures, forms and procedures relating to the administration of assigned programs;
- (6) To seek legal opinions and prepare recommendations supported by administration research findings;
- (7) To review departmental reports, proposed programs, supplemental appropriation requests, personnel requisitions, overtime reports, etc., and make or direct investigative reports and recommendations as required;
- (8) To prepare correspondence and reports;
- (9) To act for the county administrator in his absence;
- (10) To participate in formulating policies and in developing long range plans; and
- (11) To perform related work as required and as assigned by the county administrator.

Sec. 2-100. Staff and personnel.

The assistant county administrators may, with the approval of the county administrator, employ such staff and assistants for positions approved through annual budgetary appropriations by county council, as are deemed necessary to the performance of the duties of the position. They shall be subject to the county personnel system and their compensation determined accordingly

~~Sec. 2-101. Bond.~~

~~The assistant county administrator shall be bonded to the county in an appropriate amount for the faithful performance of the duties as such officer.~~

Sec. 2-101 – 2-106. Reserved.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be effective from and after _____, 2007.

RICHLAND COUNTY COUNCIL

BY: _____
Joseph McEachern, Chair

ATTEST THIS THE ____ DAY

OF _____, 2007

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

First Reading: July 10, 2007
Second Reading: July 24, 2007 (tentative)
Public Hearing: Not required.
Third Reading:

**RICHLAND COUNTY COUNCIL
REGULAR SESSION MEETING
JULY 17, 2007**

REPORT OF THE RULES AND APPOINTMENTS COMMITTEE

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

- A. Lexington/Richland Alcohol and Drug Abuse Council-1**
There is one vacancy for an un-expired term on this council.

Phillip Florence, Jr. December 12, 2007 (Resigned)

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

- A. Central Midlands Council of Governments-3**
There are three appointments to be made to this board.
One application was received at this time.

Kenneth M. Moffitt, Attorney

- B. Community Relations Council-3**
There are three appointments to be made to this council for three expiring terms. One application was received from the following individual.

Donna Slack Bulger, Social Work, Consulting
Prentiss McLaurin, Military Liaison to SC/INMO

C. **East Richland Public Service Commission-1**

There is one appointment to be made to this committee. One application was received from the following.

Diane E. Sumpter, President/CEO DESA, Inc.*

D. **Employee Grievance Committee-2**

There are two appointments to be made to this board; two applications were received from the following:

Richard Evans, Security, Supervision, Detention Center
Kim Little, Administrative Professional, Legislative Delegation*

E. **Library Board of Trustees-4**

There are four appointments to be made to this board. Applications were received from the following:

Nathaniel A. Barber, Banker, SCBT
Gloria Graham Boyd, Retired Secondary Principal*
Robert E. Gahagan, Owner, Consulting Business 17 years
Jack Godbold, Insurance Broker, Kenan & Suggs, Inc.
Kirby Darn Shealy III, Managing Partner, Baker Ravenel & Bender,
LLP

F. **Music Festival Commission-2**

There are two appointments to be made to this commission; one application was received from the following:

Jan M. Baker, Attorney, Law School Faculty member

III. **CENTRAL MIDLANDS RTA AND MIDLANDS REGIONAL CONVENTION
CENTER AUTHORITY TERM LIMITS**

IV. **RIVERBANKS ZOO AND GARDEN RC APPOINTMENT**

V. **ORDINANCE FOR THE ARCHITECTURAL REVIEW BOARD**

VI. **DRAFT POLICY FOR SPONSORSHIP TABLES**

VII. **POLICY FOR MOTIONS MADE DURING THE MOTION PERIOD**

* Eligible for re-appointment

Report prepared and submitted by:
Monique Walters, Assistant to the Clerk of Council



**APPLICATION FOR SERVICE ON RICHLAND COUNTY
COMMITTEE, BOARD OR COMMISSION**

Applicant must reside in Richland County.

Name: Kenneth M. Moffitt

Home Address: 24 Lake Court, Columbia, South Carolina 29206

Telephone: (home) 803-351-5676 (work) 803-212-6203

Office Address: Post Office Box 142, Columbia, South Carolina 29202

Educational Background: BA - NCSU '93 and JD - Campbell University '01

Professional Background: Licensed to Practice Law in SC and GA

Male Female Age: 18-25 26-50 Over 50

Name of Committee in which interested: Central Midlands Council of Government

Reason for interest: My grandmother grew up in Columbia and has fond memories of her childhood. She has great pride in this city and its surrounding environs. I want our community to be one that she can continue to be proud of and one that her granddaughter can be proud of when she grows up. I see this as an opportunity to help achieve that goal and to best exercise my civic duty of community involvement.

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission: I was the lead legal counsel for the recent restructuring of the DOT - so I thoroughly understand the interplay between a COG and the state and federal highway authorities and understand the implications of the new legislation. I am in a unique position to best help our COG during this time of transition. Regarding the other responsibilities of a COG, I can bring a fresh perspective to the midlands and utilize my legal expertise to help the council solve the problems that it is charged with addressing.

Presently serve on any County Board/Commission/Committee? NO

Any other information you wish to give? NO

Recommended by Council Member(s): NO

Hours willing to commit each month: Flexible

CONFLICT OF INTEREST POLICY

It is the policy of Richland County to require disclosure of any personal or financial interest that may be influenced by decisions of the board for which any citizen applies for membership.

Such conflict of interest does not preclude service but shall be disclosed before appointment. The Clerk of Council shall be notified of any change on an annual basis and members of all boards shall be required to abstain from voting or influencing through discussion or debate or any other way, decisions of the board affecting those personal and financial interests.

All statements so filed shall be signed and verified by the filer. The verification shall state that the filer has used all reasonable diligence in its preparation, and that to the best of his or her knowledge it is true and complete.

Any person who willfully files a false or incomplete statement of disclosure or no change of condition, or who willfully fails to make any filing required by this article, shall be subject to such discipline, including censure and disqualification from the Board or Commission, as the County Council, by majority vote of the council, shall elect.

STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes _____ No X

If so, describe: _____

Kenneth Hoyle
Applicant's Signature

Jun 26, 2007
Date

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-5060.

One form must be submitted for each committee on which you wish to serve.

Applications are current for one year.

Staff Use Only

Date Received: _____

Received by: _____

Date Sent to Council: _____

Status of Application: Approved Denied On file



APPLICATION FOR SERVICE ON RICHLAND COUNTY COMMITTEE, BOARD OR COMMISSION

Applicant must reside in Richland County.

Name: Donna Slack Bulger

Home Address: 2727 Prince Charles Court

Telephone: (home) 803-647-9463 (work) 803-878-7256

Office Address: 1535 Confederate Avenue, Columbia SC

Educational Background: Masters in Social Work & B.S. in Business Mgmt

Professional Background: Social Work Consulting

Male Female Age: 18-25 26-50 Over 50

Name of Committee in which interested: Community Relations Council

Reason for interest: I would like to be able to give new and creative ideas to a broader spectrum of different community needs as discussed and as needed.

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission: Excellent people and communication skills, energetic, self-motivated, Foster Care Adoptions Consultant at state office DSS, + Domestic Abuse Counselor

Presently serve on any County Board/Commission/Committee? No

Any other information you wish to give? Serves on Community Partners for Stronger Families - DSS + Community Action for Prevention of Teen Pregnancy Committee.

Recommended by Council Member(s): _____

Hours willing to commit each month: As many as needed

CONFLICT OF INTEREST POLICY

It is the policy of Richland County to require disclosure of any personal or financial interest that may be influenced by decisions of the board for which any citizen applies for membership.

Such conflict of interest does not preclude service but shall be disclosed before appointment. The Clerk of Council shall be notified of any change on an annual basis and members of all boards shall be required to abstain from voting or influencing through discussion or debate or any other way, decisions of the board affecting those personal and financial interests.

All statements so filed shall be signed and verified by the filer. The verification shall state that the filer has used all reasonable diligence in its preparation, and that to the best of his or her knowledge it is true and complete.

Any person who willfully files a false or incomplete statement of disclosure or no change of condition, or who willfully fails to make any filing required by this article, shall be subject to such discipline, including censure and disqualification from the Board or Commission, as the County Council, by majority vote of the council, shall exact.

STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes _____ No _____

If so, describe: _____

Donald S. Bulger 7/10/07
Applicant's Signature Date

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-5060.

One form must be submitted for each committee on which you wish to serve.

Applications are current for one year.

Staff Use Only	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application: <input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file	



APPLICATION FOR SERVICE ON RICHLAND COUNTY
COMMITTEE, BOARD OR COMMISSION

Applicant must reside in Richland County.

Name: PRENTISS MCLAURIN
Home Address: 100 TRADITION CIRCLE, COLUMBIA S.C. 29229
Telephone: (home) 803-736-5633 (work) 803-751-7684
Office Address: 2601 WASHINGTON STREET FT JACKSON S.C.
Educational Background: CHAPLIN UNIVERSITY, MIDLANDS TECH, MILITARY
Professional Background: MILITARY DIVISION TO SC INMMA NCOIC Team Leader
Male Female Age: 18-25 26-50 Over 50
Name of Committee in which interested: Community Relations Council
Reason for interest: _____

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission:

LEADERSHIP ABILITY, THE ABILITY TO SCHEDULE, & FUND
COMMITTEES

Presently serve on any County Board/Commission/Committee? NO

Any other information you wish to give? _____

Recommended by Council Member(s): _____

Hours willing to commit each month: 8 HRS

CONFLICT OF INTEREST POLICY

It is the policy of Richland County to require disclosure of any personal or financial interest that may be influenced by decisions of the board for which any citizen applies for membership.

Such conflict of interest does not preclude service but shall be disclosed before appointment. The Clerk of Council shall be notified of any change on an annual basis and members of all boards shall be required to abstain from voting or influencing through discussion or debate or any other way, decisions of the board affecting those personal and financial interests.

All statements so filed shall be signed and verified by the filer. The verification shall state that the filer has used all reasonable diligence in its preparation, and that to the best of his or her knowledge it is true and complete.

Any person who willfully files a false or incomplete statement of disclosure or no change of condition, or who willfully fails to make any filing required by this article, shall be subject to such discipline, including censure and disqualification from the Board or Commission, as the County Council, by majority vote of the council, shall elect.

STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes _____ No X _____

If so, describe: _____

Prudum Lane
Applicant's Signature

24 JAN 07
Date

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-2060.

One form must be submitted for each committee on which you wish to serve.

Applications are current for one year.

Staff Use Only	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application:	<input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file



Appt. 6/4/02

APPLICATION FOR SERVICE ON RICHLAND COUNTY COMMITTEE, BOARD OR COMMISSION

APPLICANT MUST RESIDE IN RICHLAND COUNTY

Name: Diane E. Sumpter

Home Address: 94 Hollingwood Court, Columbia, South Carolina 29223

Office Address: 1515 Richland Street, Columbia, South Carolina 29201

Job Title and Employer: President/CEO DESA, Inc.

Telephone: (home) 803 736-2003 (work) 803-256-3212, Ext. 121 748-1124

Educational Background: Master of Social Work, University of South Carolina

Professional Background: President/CEO

Male [] Female [X] Age: 18-25 [] 26-50 [] Over 50 [X]

Name of Committee in which interested: East Richland Public Service District

Reason for interest: Has knowledge of General Contracts. Reside in Richland County.

Desire to serve on a Board to offer skills, knowledge and diversity.

Characteristics/Qualifications which would be an asset to Committee/Board/ Commission: Experience and knowledgeable in business. Is a visionary.

Presently serve on any County Board/Commission/Committee? No

Any other information you wish to give? None

Recommended by Council Member(s): Bernice Scott

Diane E. Sumpter

Received by/Date

Applicant's Signature/Date

02/26/02

Return to: Clerk of Council, Post Office Box 192, Columbia, S. C. 29202.

For information, call 748-4616.

One form must be submitted for each committee on which you wish to serve.

MONIQUE WALTERS

From: Richard Evans
Sent: Thursday, July 05, 2007 6:01 AM
To: MONIQUE WALTERS
Subject: Employee Grievance Application



**APPLICATION FOR SERVICE ON RICHLAND COUNTY
COMMITTEE, BOARD OR COMMISSION**

Name: RICHARD EVANS

Home Address: 3108 PADGETT RD.

Telephone: (home) 783-1431 (work) 576-3220

Office Address: 201 JOHN MARK DIAL DR.

Email Address: RICHARDEVANS@RICHLANDONLINE.COM

Educational Background: HIGH SCHOOL GRADUATE

Professional Background: SECURITY, SUPERVISOR

Male Female Age: 18-25 26-50 Over 50

Name of Committee in which interested: GRIEVANCE

Reason for interest: TO LEARN HOW THE COUNTY SOLVE PROBLEMS.

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission:

LEADERSHIP, COMMUNICATION, PROBLEM SOLVING SKILLS

Presently serve on any County Board/Commission/Committee? NO

Any other information you wish to give? NO

Recommended by Council Member(s): NORMAN JACKSON

Hours willing to commit each month: ANY HOURS REQUIRED TO COMPLETE THE TASK.

CONFLICT OF INTEREST POLICY

It is the policy of Richland County to require disclosure of any personal or financial interest that may be influenced by decisions of the board for which any citizen applies for membership.

Such conflict of interest does not preclude service but shall be disclosed before appointment.

Clerk of Council shall be notified of any change on an annual basis and members of all boards shall be required to abstain from voting or influencing through discussion or debate or any other way, decisions of the board affecting those personal and financial interests.

All statements so filed shall be signed and verified by the filer. The verification shall state that the filer has used all reasonable diligence in its preparation, and that to the best of his or her knowledge it is true and complete.

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STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes _____ No _____

If so, describe: _____

Applicant's Signature _____ Date _____

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-2060.

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Applications are current for one year.

Staff Use Only			
Date Received: _____	Received by: _____		
Date Sent to Council: _____			
Status of Application:	<input type="checkbox"/> Approved	<input type="checkbox"/> Denied	<input type="checkbox"/> On file



**APPLICATION FOR SERVICE ON RICHLAND COUNTY
COMMITTEE, BOARD OR COMMISSION**

Applicant must reside in Richland County.

Name: Kim Little

Home Address: 4 Northfield Court Columbia, SC 29229

Telephone: (home) 803-788-4153 (work) 576-1907

Office Address: 1701 Main St. Ste 409, Columbia/29201

Email Address littlek@rcgov.us

Educational Background: MA-HR Development (Webster Univ.) BA-Sociology/Social Work (USC Columbia)

Professional Background: Administrative Professional in public and private sector, providing excellent customer service.

Male Female Age: 18-25 26-50 Over 50

Name of Committee in which interested: Employee Grievance Committee

Reason for interest: To assist with assurance of fair and equal employment.

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission:
I have three years of experience with the grievance committee, and have obtained information that will allow me better execute the duties of a committee member.

Presently serve on any County Board/Commission/Committee? Yes

Any other information you wish to give? _____

Recommended by Council Member(s): _____

Hours willing to commit each month: As many as needed

CONFLICT OF INTEREST POLICY

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STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes _____ No x

If so, describe: _____

[Handwritten Signature]
Applicant's Signature

6-14-2007
Date

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-2060.

One form must be submitted for each committee on which you wish to serve.

Applications are current for one year.

Staff Use Only

Date Received: _____

Received by: _____

Date Sent to Council: _____

Status of Application: Approved Denied On file



APPLICATION FOR SERVICE ON RICHLAND COUNTY COMMITTEE, BOARD OR COMMISSION

Applicant must reside in Richland County.

Name: Nathaniel A Barbel

Home Address: 401 Centeridge Dr Columbia SC 29229

Telephone: (home) 736-2728 (work) 765-4578

Office Address: 520 Gerway St Columbia 29201

Educational Background: BS-Chemistry from USC; MBA from Indiana

Professional Background: Barker - SCBT, 2003-Present; Winthrop University, 1987-2003

Male Female Age: 18-25 26-50 Over 50

Name of Committee in which interested: Library Board

Reason for interest: Reading is crucial to an informed public. It would like to be involved in encouraging the community to read more, especially children.

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission: Hard-working, resourceful, interest in the community

Presently serve on any County Board/Commission/Committee? CASA volunteer

Any other information you wish to give? I have worked in education and understand the importance of reading

Recommended by Council Member(s): Greg Pierce

Hours willing to commit each month: 10-15

CONFLICT OF INTEREST POLICY

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STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes _____ No _____

If so, describe: _____

Jonathan A. Barber June 21, 2007
Applicant's Signature Date

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-5060.

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Applications are current for one year.

Staff Use Only	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application:	<input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file



**APPLICATION FOR SERVICE ON RICHLAND COUNTY
COMMITTEE, BOARD OR COMMISSION**

Applicant must reside in Richland County.

Name: Gloria Graham Boyd
Home Address: 122 Elk Hill Road Columbia, SC 29203-4010
Telephone: (home) 803. 779. 0799 (work) 803. 695. 3000 X3564
Office Address: 2615 Lower Richland Blvd Hopkins, SC 29061
Educational Background: Masters + 60
Professional Background: Retired Secondary Principal
Male Female Age: 18-25 26-50 Over 50

Name of Committee in which interested: Library Board of Trustees

Reason for interest: I just completed one term of service on the board and would like the opportunity to serve another term.

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission:
Leadership, management, effective Communicator - oral and written, Learning, interpersonal judgment, flexibility, problem solving

Presently serve on any County Board/Commission/Committee? Library Board of Trustees

Any other information you wish to give? I am presently serving as secretary on the board

Recommended by Council Member(s): _____

Hours willing to commit each month: 6-8 or hours needed for position

CONFLICT OF INTEREST POLICY

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STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes _____ No X

If so, describe: _____

Gloria Graham Boyd
Applicant's Signature

July 9, 2007
Date

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-5060.

One form must be submitted for each committee on which you wish to serve.

Applications are current for one year.

Staff Use Only	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application:	<input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file



**APPLICATION FOR SERVICE ON RICHLAND COUNTY
COMMITTEE, BOARD OR COMMISSION**

Applicant must reside in Richland County.

Name: ROBERT E GAHAGAN
Home Address: 26 GOVERNORS HILL, COLUMBIA, SC 29201
Telephone: (home) 803 779 3799 (work) 803 466 7792
Office Address: SAME AS ABOVE
Educational Background: ENGINEERING - GA TECH, MBA - USC
Professional Background: IBM - 23 YEARS, MY OWN CONSULTING BUSINESS 17 YR
Male Female Age: 18-25 26-50 Over 50
Name of Committee in which interested: RICHLAND COUNTY PUBLIC LIBRARY BOARD
Reason for interest: I HAVE BEEN ON THE LIBRARY FOUNDATION BOARD FOR 3 YRS
AS WELL AS A REGULAR CONTRIBUTOR TO THE LIBRARY FOR MANY YEARS.
Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission:
I WAS ON THE WINTHROP LUMI BOARD OF TRUSTEES FOR 14 YEARS, SERVING
IN ALL CAPACITIES INCLUDING CHAIR. IN THE PAST I HAVE SERVED
ON MANY BOARDS IN RICHLAND COUNTY INCLUDING CHAMBER AND BLS AND GIRL
Presently serve on any County Board/Commission/Committee? NO CLUB
Any other information you wish to give? _____
Recommended by Council Member(s): _____
Hours willing to commit each month: WHATEVER IS NECESSARY

CONFLICT OF INTEREST POLICY

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STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes _____ No X

If so, describe: _____

Robert E. Bahagan
Applicant's Signature

7/9/07
Date

Return to:
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For information, call 576-5060.

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Status of Application: <input type="checkbox"/> Approved	<input type="checkbox"/> Denied <input type="checkbox"/> On file



APPLICATION FOR SERVICE ON RICHLAND COUNTY
COMMITTEE, BOARD OR COMMISSION

Applicant must reside in Richland County.

Name: JACK GODBOLD

Home Address: 1218 Whittaker Dr. Columbia, SC 29206

Telephone: (home) 803-738-2095 (work) 803-227-4778

Office Address: PO Box 8087 Columbia, SC 29202

Educational Background: B.S. Business Administration USC

Professional Background: Insurance Broker Kwan & Suggs Inc

Male Female Age: 18-25 26-50 Over 50

Name of Committee in which interested: Richland County Public Library

Reason for interest: past Board member Friends of Richland County Public Library
Supporter of library system

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission.

past member - Board Treasurer - Friends of Library

Relationship w/ Library Director Relationship with current Board member

Presently serve on any County Board/Commission/Committee? NO

Any other information you wish to give? Board member (V.P.) Columbia Sertoma Club

Recommended by Council Member(s): current Board member Roy Pollard 4th District David White

Hours willing to commit each month: 10+

CONFLICT OF INTEREST POLICY

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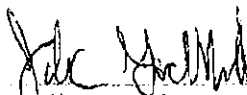
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STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not for profit) that could be potentially affected by the actions of the board?

Yes _____ No _____

If so, describe: _____


Applicant's Signature

7-5-07
Date

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-5060.

This form must be submitted for each committee on which you wish to serve.
Applications are current for one year.

Staff Use Only	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application:	<input checked="" type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file



**APPLICATION FOR SERVICE ON RICHLAND COUNTY
COMMITTEE, BOARD OR COMMISSION**

Applicant must reside in Richland County.

Name: Kirby Darr Shealy III
Home Address: 500 Kalmia Drive, Columbia, S.C. 29205
Telephone: (home) (803) 787-3744 (work) (803) 799-9091
Office Address: 3710 Landmark Drive, Suite 400, Columbia, S.C. 29204
Educational Background: B.A. in History, Davidson College (1993); J.D., U.S.C. (1996)
Professional Background: Managing Partner, Baker, Ravenel + Bender, L.L.P.

Male Female Age: 18-25 26-50 Over 50

Name of Committee in which interested: Richland County Library Board of Trustees
Reason for interest: I have enjoyed a long relationship with the Library and believe it is one of the most valuable assets we have in the Midlands.

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission:
I have served on numerous boards and have a great deal of experience running my own business. I am also an advocate by profession.

Presently serve on any County Board/Commission/Committee? No.

Any other information you wish to give? None.

Recommended by Council Member(s): Michael Montgomery

Hours willing to commit each month: 5

CONFLICT OF INTEREST POLICY

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STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes ✓ No _____

If so, describe: I presently serve on the board of the Friends of the Richland County Public Library. I will resign from my position if I am appointed to the Library's board.

[Signature]
Applicant's Signature

7/10/07
Date

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-5060.

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Applications are current for one year.

Staff Use Only	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application:	<input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file



APPLICATION FOR SERVICE ON RICHLAND COUNTY COMMITTEE, BOARD OR COMMISSION

Applicant must reside in Richland County.

Name: John M. Baker

Home Address: 1450 Wildflower Rd. Blythewood, SC 29016

Telephone: (home) (803) 786-7131 (work) (803) 777-7737

Office Address: 701 S. Main St. Columbia, SC 29208

Educational Background: B.A., Winthrop University; J.D., USC School of Law

Professional Background: Attorney; Law School Faculty

Male Female Age: 18-25 (26-50) Over 50

Name of Committee in which interested: Music Festival Commission

Reason for interest: I enjoy the arts, and I would love to be a part of a Commission that encourages the development of musical events in Richland County

Your characteristics/qualifications, which would be an asset to Committee/Board/ Commission:

As an attorney and professional educator, I have developed exceptional communication skills and leadership skills that are adaptable to the courtroom, the classroom, or the boardroom.

Presently serve on any County Board/Commission/Committee? NO.

Any other information you wish to give? I am happy to serve as a County resident.

Recommended by Council Member(s): Joe McEachern

Hours willing to commit each month: As needed - I commit to get the job done.

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STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the board?

Yes _____ No X

If so, describe: _____

[Signature]
Applicant's Signature

7/9/07
Date

Return to:
Clerk of Council, Post Office Box 192, Columbia, SC 29202.
For information, call 576-5060.

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Status of Application:	<input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file



500 Wildlife Parkway – P.O. Box 1060 – Columbia, SC 29202-1060
803.779.8717 – Fax 803.253.6381 – www.riverbanks.org

May 22, 2007

Mr. Charles Austin
Columbia City Manager
1737 Main Street
Columbia, SC 29201

RECEIVED
07 MAY 24 AM 10:52
RICHLAND COUNTY
ADMINISTRATORS OFFICE

Dear Mr. Austin:

I am writing to insure that each of the three appointing governmental entities of the Riverbanks Park Commission (Richland and Lexington Counties and the City of Columbia) has a clear understanding of the Commission's seventh, "at-large" position and that your respective councils act procedurally to ratify the newly appointed Commissioner to that position.

As background, please know that the Riverbanks Park Commission was created as a Special Purpose District by the South Carolina General Assembly in 1969. The enabling legislation set forth the makeup of the seven-member Commission as follows: "... two members shall be appointed by the County Council of Richland County...two members shall be appointed by the Lexington County Council...and two members shall be appointed by the Mayor and City Council of Columbia." One additional member "...shall be appointed by the Lexington County Council, the Richland County Council and the Mayor and City Council of Columbia." Historically, the seventh position (hereafter also referred to as the "at-large position") proved to be almost impossible to fill, since the logistics of getting the three entities to meet and agree on one candidate was extremely difficult. Approximately six years ago, a meeting was held at the Zoo between the two County Council Chairs and their respective administrators, the Mayor and the Columbia City Manger and members of the Zoo Commission and staff. The purpose of the meeting was to discuss the problems associated with the seventh position (which at the time had been vacant for over two years) and how the process might be improved. At that meeting the three appointing parties unanimously agreed that since the legislation was somewhat vague on the mechanism of appointing the seventh position; they would rotate appointing the position every six years (the term of service for Commissioners as set forth in the enabling legislation). Before leaving the meeting, the three government names were blindly drawn from a "hat" in order to establish the rotation. That drawing produced the following rotation: Lexington County, Richland County, and the City of Columbia.

Lexington County appointed Mrs. Ella Bouknight to the Commission within days of that meeting (April 30, 2001). Per the agreement, her term ended in February 2007 and she has since been replaced as the at-large member with Bud Tibshrary by Richland County Council. Again, per the agreement, Mr. Tibshrary will serve until May 2014, at which time he will be replaced by an appointee from the City of Columbia. On the advice of

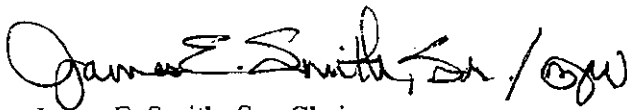
J. Smith, Sr. Page Two 5/22/2007

our attorney, we feel that it is legally necessary for Lexington County Council and the Columbia City Council to adopt a perfunctory resolution/ordinance that ratifies Mr. Tibshirany's appointment. In fact, our attorney feels that a ratifying resolution is required in order to establish the legal status of seventh member. Once your Councils have adopted the appropriate resolution/ordinance, please forward a copy to Riverbanks' Executive Director, Satch Krantz, for our files.

I hope this clarifies the matter of the seventh, at-large position to your satisfaction. If not, please feel free to contact me, Riverbanks' Executive Director Satch Krantz or our attorney, John Taylor of the Robinson law firm.

We appreciate your support and look forward to continuing our goal of providing a high quality educational and recreation experience for every citizen of the Midlands.

Sincerely,



James E. Smith, Sr., Chairman
Riverbanks Park Commission

cc Milton Pope

DRAFT

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-07HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 2, ADMINISTRATION; ARTICLE VII, BOARDS, COMMISSIONS AND COMMITTEES; SECTION 2-326, BOARDS AND COMMISSION CREATED AND RECOGNIZED; SO AS TO CREATE AN ARCHITECTURAL REVIEW BOARD.

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

SECTION I. The Richland County Code of Ordinances, Chapter 2, Administration; Article VII, Boards, Commissions and Committees; Section 2-326, Boards and commissions created and recognized; is hereby amended by the addition of a new subsection creating the Richland County Business Service Center Appeals Board as follows:

(1) *Richland County Architectural Review Board.*

(1) *Creation.* There is hereby created a Richland County Architectural Review Board, pursuant to S.C. Code 1976, § 6-29-890, which shall serve the functions and in the capacities set forth herein.

(2) *Membership.* The membership of the commission shall be as follows:

(a) *Number of members; qualifications of members.* The commission shall consist of not more than ten members, of whom at least one shall be an architect registered in the state, at least one shall be a lawyer admitted to practice before the supreme court of the state, at least one shall be experienced as an architectural historian, at least one shall be experienced as a county planner, at least one shall be a real estate developer or licensed real estate broker, and one shall be an architect with historic preservation experience and the remainder, if any, shall be persons who, by reason of other experience or education, shall be qualified for service on such commission. All members must be interested citizens residing in Richland County.

(b) *Appointment of members; terms; vacancies.* Every such member shall be appointed by the county council for a term of three years. However, in making the initial appointments, not more than five members shall be appointed for a term of two years and not more than five members shall be appointed for a term of three years, so that certain of the offices shall expire every year. Thereafter, their successors shall be appointed for terms of three years, or for the balance of any unexpired term. No member of the commission may be appointed to serve for more than two successive terms. The commission may submit a list of recommended nominees to fill vacancies for consideration by the county council.

DRAFT

- (c) *Removal of members; compensation.* Members may be removed at any time with or without cause. Any member who fails to attend two consecutive meetings of the commission without giving five days' advance written notice of conflict to the chairperson and secretary of the commission shall be deemed to have abandoned his membership on the commission. No member shall receive compensation for his/her service on the commission, but he/she may be reimbursed for his/her actual expenses necessarily incurred in the performance of his/her official duties.
 - (d) *Rules of procedure; officers; records.* The procedures of the commission shall be as follows: The commission shall adopt, and from time to time may amend, bylaws concerning its internal management. Such bylaws and amendments must be approved by resolution of the county council. The commission shall elect one of its members as chairperson and another as vice-chairperson. The county administrator shall designate an employee of the county to serve as its secretary. The records of the commission shall set forth every determination made by the commission, the vote of every member participating in such determination and the absence or failure to vote of every other member.
 - (e) The Committee shall meet at such times and places as determined by the Chairperson, but no less frequently than once per month.
- (3) *Responsibilities.* The Richland County Architectural Review Board shall have the following responsibilities:
- (a) Advise the county council upon the designation of landmarks, landmark districts, architectural conservation districts, and protection areas.
 - (b) Carry out those regulatory duties relating to subsection (3)(a) of this section as set forth in this section.
 - (c) Plan and direct continuing studies of areas, physical features and improvements in the county relating to design, historic preservation, beautification, civic improvement and other considerations in furtherance of this subsection, and in doing so, properly coordinate such plans and studies with the various departments and agencies of the county.
 - (d) Engage in educational activities related to the furtherance of this subsection in order to promote appropriate design, historic preservation and conservation of historic or aesthetic features of the county.
 - (e) Advise, assist and represent the best interest of the county in matters relating to coordination of and assistance to other public bodies and private interests in activities related to this subsection.

DRAFT

- (f) Advise and assist the county council in acquisition of any gift, grant, purchase, bequest, devise, lease, fee simple or lesser interest, development right, easement (including scenic easement), covenant or other contractual right which may accrue to the furtherance of the purposes of this subsection.
- (g) Advise the county council in actions of eminent domain taken in furtherance of the purposes of this subsection.
- (h) Upon request of the county council, manage, control and maintain any property related to the purpose of this subsection or to the purposes of the commission.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be effective from and after _____, 2007.

RICHLAND COUNTY COUNCIL

BY: _____
Joseph McEachern, Chair

ATTEST THIS THE ____ DAY
OF _____, 2007.

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

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

MEMORANDUM

TO : Economic Development Committee
FROM: Carol Coleman, Manager, Auditor's Office
DATE : July 3, 2007
RE : Request for Manufacturer's Exemption from county millage for 2006 for Allied Concrete Products of South Carolina

A. Purpose:

The above manufacturing facility has filed the form PT 444 requesting an exemption from the County millage portion of the 2006 tax year billing.

B. Background/Discussion:

Prior owner, Allied Concrete Products, LLC, located at 621 Georgia Street, Columbia, located in Richland District One (1UR) sold on 8/16/05.

New owner, Allied Concrete Products of S.C., purchased real property from Vulcan Materials and purchased personal property from Allied Concrete Prod. LLC for approximately \$3.8 million.

C. Financial Impact:

2002 =	\$ 30,250	
2003 =	\$ 30,750	Taxes of Allied Concrete Products, LLC
2004 =	\$ 33,027	
2005 =	\$ 22,060	

D. Alternatives:

- 1) To approve this exemption request would lower the 2006 tax year bill for new owner to approximately \$82,000.
- 2) To deny the exemption request would keep the billing around \$100,000

E. Recommendation:

It would be my recommendation to grant the exemption on the personal property and deny the exemption on the real property. The personal property was already getting an exemption and should continue as new investments have been made. The real property had already been granted an arms-length exemption as Vulcan Materials in 2003.



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

PT-444

(Rev. 3/29/05)
7073

**FIVE YEAR EXEMPTION
EXTENDED TO UNRELATED PURCHASER**

1. Section 12-37-220(A)(7) provides for an exemption from nonschool and non-municipal ad valorem taxation for "all new manufacturing establishments located in any of the counties of this State after July 1, 1977, for five years from the time of establishment and all additions to the existing manufacturing establishments located in any of the counties of this State for five years from the time each such addition is made if the cost of such addition is fifty thousand dollars or more."

2. Section 12-37-220(B)(32) provides for an exemption from nonschool county ad valorem property taxes for a period of five years from the time of establishment, construction or being placed in service for all new corporate headquarters, corporate office facilities, distribution facilities, and all additions to such if the cost of the new construction or additions is fifty thousand dollars or more and seventy-five or more new jobs which are full-time or one hundred fifty or more substantially equivalent jobs are created in South Carolina.

3. Section 12-37-220(C) of the S.C. Code provides:
Upon approval of the governing body of the county, the five year partial exemption allowed pursuant to subsections (A)(7) and (B)(32) is extended to an unrelated purchaser who acquires the facilities in an arms-length transaction and who preserves the existing facilities and existing number of jobs. The partial exemption applies for the purchaser for five years if the purchaser otherwise meets the exemption requirements.

NOTE: In future years, the county must notify the Department if existing facilities and jobs are not preserved.

4. The undersigned company/corporation requests that, pursuant to Section 12-37-220(C), the partial exemption allowed pursuant to subsections (A)(7), (B)(32) or (B)(34) be extended to it. The undersigned company official hereby affirms on behalf of the company that:

- (A) it is an unrelated purchaser who acquired the facilities in an arms-length transaction;
- (B) it is preserving the existing facility; and
- (C) it is preserving the existing number of jobs totaling 23 (insert # of jobs)

Signature of Company Official (Purchaser) [Signature]
 Print Name and Company Title Charles E. Downs GM Telephone Number 803-771-0093
 Company Name Allied Concrete Products of SC LLC Fed E I Number 20-3315250
 Company Address 621 Georgia St, Columbia SC 29201
 County Richland County Tax Map Nos. 08814 01 007
 Date of Acquisition 9-1-05 Acquired from Allied Concrete Products, LLC
 SID Number of Purchaser 23155120009 SID Number of Seller 2090056000

5. The county governing body has approved this request for extending the exemption to:	The county governing body has denied this request for extending the exemption to:
Real Property _____ (County Official Initials)	Real Property _____ (County Official Initials)
Personal Property _____ (County Official Initials)	Personal Property _____ (County Official Initials)

Signature County Official _____
 Title of County Official _____
 Address of County Official _____
 Telephone Number of County Official _____

6. Mail to South Carolina Department of Revenue, after approval and signature of the County Governing body.
Address: South Carolina Department of Revenue, Property Manufacturing Section, Columbia, SC 29214-0302

TXFPR018.NOTE
NEXT SCREEN:

PROPERTY TAX SYSTEM
NOTE SCREEN

DATE: 05 23 0
TIME: 09:53:3
PAGE: 0001

ACCT: 2315512 000 A 01 OPER: **ALLIED CONCRETE PRODUCTSS OF SC LLC**

FORMERLY KNOWN AS ALLIED CONCRETE, LLC(2090056 001). EXEMPTIONS HAVE BEEN DENIED SINCE IT'S A NAME CHANGE.

PT-444 RETURNED TO CHARLES DOWNS FOR COUNTY APPROVAL. COPY IN BLACK BOOK.
SMOAKN - 09/25/0
RALPHC - 05/02/0

LAST NOTE DISPLAYED

PF: 2=ADD 3=CHANGE 7=PAGE-1 8=PAGE+1 CLEAR=RETURN



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

PT-444

FIVE YEAR EXEMPTION
EXTENDED TO UNRELATED PURCHASER

(10/04/01)
7073

1. Section 12-37-220(A)(7) provides for an exemption from nonschool and non-municipal ad valorem taxation for "all new manufacturing establishments located in any of the counties of this State after July 1, 1977, for five years from the time of establishment and all additions to the existing manufacturing establishments located in any of the counties of this State for five years from the time each such addition is made if the cost of such addition is fifty thousand dollars or more."

2. Section 12-37-220(B)(32) provides for an exemption from nonschool county ad valorem property taxes for a period of five years from the time of establishment, construction or being placed in service for all new corporate headquarters, corporate office facilities, distribution facilities, and all additions to such if the cost of the new construction or additions is fifty thousand dollars or more and seventy-five or more new jobs which are full-time or one hundred fifty or more substantially equivalent jobs are created in South Carolina.

3. Section 12-37-220(C) of the S.C. Code provides:

Upon approval of the governing body of the county, the five year partial exemption allowed pursuant to subsections (A)(7) and (B)(32) is extended to an unrelated purchaser who acquires the facilities in an arms-length transaction and who preserves the existing facilities and existing number of jobs. The partial exemption applies for the purchaser for five years if the purchaser otherwise meets the exemption requirements.

NOTE: In future years, the county must notify the Department if existing facilities and jobs are not preserved.

12-60-1750

4. The undersigned company/corporation requests that, pursuant to Section 12-37-220(C), the partial exemption allowed pursuant to subsections (A)(7), (B)(32) or (B)(34) be extended to it. The undersigned company official hereby affirms on behalf of the company that:

- (A) it is an unrelated purchaser who acquired the facilities in an arms-length transaction;
- (B) it is preserving the existing facility; and
- (C) it is preserving the existing number of jobs totaling 54

(Insert # of jobs)

Signature of Company Official (Purchaser) _____

Print Name and Company Title Richard Connor Controller Telephone Number 770-454-3689

Company Name Vulcan Construction Materials LP Fed E I Number 63-0346371

Company Address 545 Georgia Street Columbia, SC 29201

County Richland County Tax Map Nos. _____

Date of Acquisition October 1, 2000 Acquired from Tarmac Mid-Atlantic, Inc.

SID Number of Purchaser 1479465-02A SID Number of Seller _____

5. The county governing body has approved this request for extending the exemption to:	The county governing body has denied this request for extending the exemption to:
Real Property _____ (County Official Initials)	Real Property _____ (County Official Initials)
Personal Property _____ (County Official Initials)	Personal Property _____ (County Official Initials)
Signature County Official _____	
Title of County Official _____	
Address of County Official _____	
Telephone Number of County Official _____	

Mail to: South Carolina Department of Revenue, Property Manufacturing Section, Columbia, SC 29214-0302

County: See note above.

→ has been rec. exempt for 1st year.

**APPLICATION FOR LOCATING A COMMUNITY
RESIDENTIAL CARE FACILITY IN AN
UNINCORPORATED AREA OF RICHLAND COUNTY**

To the Chairperson of Richland County Council:

The undersigned hereby respectfully requests that the Richland County Council approve the location of a community care home in Richland County, South Carolina, pursuant to Chapter 7 of Title 44 of the 1976 State Code of Laws, as described below (Be advised that final approval of all community care homes rests with licensing by the State Department of Health and Human Services.)

Applicant must be the director of the proposed facility.

1. Applicant's Name: Brenda Price
2. Applicant's Address: 213 Livingston Lane
Columbia, S.C. 29212
3. Applicant's Telephone: Home: ⁸⁰³ 798-7221 Office: 803-772-4882

4. Location of proposed community care home:

- Street address 528 Atterbury Dr
- City, Zip: Columbia, S.C. 29203 Tax Map Number: 11815-04-22

5. Do you own the building that will house the proposed community care home?

YES NO

If "NO," do you have an option to buy the property or, if renting, do you have a lease agreement with the owner? Please state which arrangement you currently have, and also list the name, address, and phone number of the current owner and/or lessor

Do Have permission to operate there

6. If you are leasing the property, has the lessor granted authority to establish a community care home on the property? YES NO

7. Will the proposed community care home be established in your current permanent residence? YES NO

8. How many bedrooms and bathrooms does the proposed community care home have? Bedrooms 4 Bathrooms 1 1/2

9. How many resident clients will be housed in this proposed community care home? Nine or less Ten or more

10. Describe the type of resident clients to be housed in this proposed facility (senior citizens or children, physically or mentally disabled, etc.)

11. How many full-time and part-time staff will care for the resident clients of the proposed community care home? Full-Time 3 Part-Time 1

12. How many total persons will occupy the proposed community care home during the night? (Include resident clients, staff, staff family, applicant, applicant's family, etc. as applicable.) Total Persons 6

13. Do you currently operate any other community care facilities in Richland County? YES NO

If you do, list the location, year licensed, and number of resident clients for each facility

Street Address	Year Licensed	# of Residents
Street Address	Year Licensed	# of Residents

14. Have you ever had a license revoked for any type of residential health care facility located in South Carolina? YES NO

I hereby certify that if granted approval from Richland County Council to locate a community care home as described above, I will fully comply with all regulations of the appropriate state licensing and regulatory agency or agencies, the State Fire Marshal's Office, and Health Department Officials which apply to community care facilities in establishing and obtaining licensing for my community care home

I also certify that all of the above information is correct to the best of my knowledge.

Brenda Pucci
Signature of Applicant

7-3-07
Date

Proposed Community Residential Care Facility
528 Atterbury Drive (District 7)



JULY 11, 2007

**JAMES FRANCIS
213 LINGSTROM LANE
COLUMBIA, SC 29212**

**TO WHOM IT MAY CONCERN,
I JAMES FRANCIS, WILL BE RENTING OUT 528
ATTERBURY DR, TO BRENDA C. PRICE FOR THE
PURPOSE OF A RESIDENTIAL CARE FACILITY.
ANY QUESTION PLEASE FEEL FREE TO CALL ME.
CELL 360-7238.**

RESPECTFULLY


JAMES FRANCIS

A310-10
R310-04

RESIDENTIAL LEASE
Apartment — Condominium — House

BY THIS AGREEMENT made and entered into on July 2nd, 2007 (year),
between JAMES FRANCIS
herein referred to as Lessor, and BRUNDA C. PACE
herein referred to as Lessee, Lessor leases to Lessee the premises situated at
588 ATTENBURY DR, in the City of COLUMBIA, County of
Richland, State of So. Carolina, and more particularly described as follows:

together with all appurtenances, for a term of 5 years, to commence on July 2, 07
(year), and to end on July 2, 2012 (year), at 4 o'clock p.m.

1. Rent. Lessee agrees to pay, without demand, to Lessor as rent for the demised premises the sum of
700.00 Dollars (\$ 700.00) per month in advance on the 1st day of
each calendar month beginning July 2, 2007 (year) at 213 Livingston Lane
City of Columbia
State of So. Carolina, or at such other place as Lessor may designate.

2. Security Deposit. On execution of this lease, Lessee deposits with Lessor
Dollars (\$ 0), receipt of which is
acknowledged by Lessor, as security for the faithful performance by Lessee of the terms hereof, to be returned to
Lessee, without interest, on the full and faithful performance by him of the provisions hereof.

3. Quiet Enjoyment. Lessor covenants that on paying the rent and performing the covenants herein contained,
Lessee shall peacefully and quietly have, hold, and enjoy the demised premises for the agreed term.

4. Use of Premises. The demised premises shall be used and occupied by Lessee exclusively as a private single family
residence, and neither the premises nor any part thereof shall be used at any time during the term of this lease by
Lessee for the purpose of carrying on any business, profession, or trade of any kind, or for any purpose other than as
a private single family residence. Lessee shall comply with all the sanitary laws, ordinances, rules, and orders of
appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the demised premises,
and the sidewalks connected thereto, during the term of this lease.

5. Number of Occupants. Lessee agrees that the demised premises shall be occupied by no more
than 6 persons, consisting of 6 adults and 0 children under
the age of 18 years, without the written consent of Lessor.

6. Condition of Premises. Lessee stipulates that he has examined the demised premises, including the grounds and
all buildings and improvements, and that they are, at the time of this lease, in good order, repair, and a safe, clean,
and tenable condition.

7. Assignment and Subletting. Without the prior written consent of Lessor, Lessee shall not assign this lease, or sub-
let or grant any concession or license to use the premises or any part thereof. A consent by Lessor to one assignment,
subletting, concession, or license shall not be deemed to be a consent to any subsequent assignment, subletting, con-
cession, or license. An assignment, subletting, concession, or license without the prior written consent of Lessor, or
an assignment or subletting by operation of law, shall be void and shall, at Lessor's option, terminate this lease.

8. Alterations and Improvements. Lessee shall make no alterations to the buildings on the demised premises or
construct any building or make other improvements on the demised premises without the prior written consent of
Lessor. All alterations, changes, and improvements built, constructed, or placed on the demised premises by Lessee,
with the exception of fixtures removable without damage to the premises and movable personal property, shall, unless
otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the
demised premises at the expiration or sooner termination of this lease.

9. Damage to Premises. If the demised premises, or any part thereof, shall be partially damaged by fire or other
casualty not due to Lessee's negligence or willful act or that of his employee, family, agent, or visitor, the premises
shall be promptly repaired by Lessor and there shall be an abatement of rent corresponding with the time during
which, and the extent to which, the leased premises may have been untenable; but, if the leased premises should
be damaged other than by Lessee's negligence or willful act or that of his employee, family, agent, or visitor to the
extent that Lessor shall decide not to rebuild or repair, the term of this lease shall end and the rent shall be prorated
up to the time of the damage.

10. Dangerous Materials. Lessee shall not keep or have on the leased premises any article or thing of a dangerous,
inflammable, or explosive character that might unreasonably increase the danger of fire on the leased premises or that
might be considered hazardous or extra hazardous by any responsible insurance company.

11. Utilities. Lessee shall be responsible for arranging for and paying for all utility services required on the premis-
es, except that _____ shall be provided by Lessor.

12. Right of Inspection. Lessor and his agents shall have the right at all reasonable times during the term of this
lease and any renewal thereof to enter the demised premises for the purpose of inspecting the premises and all build-
ing and improvements thereon.

NOTICE: Contact your local county real estate board for additional forms that may be required to meet your specific needs.

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This product does not constitute the rendering of legal advice or services. This product is intended for informational use only and is not a substitute for legal
advice. State laws vary, so consult an attorney on all legal matters. This product was not necessarily prepared by a person licensed to practice law in this state.

5. As further inducement to the Company, on October 3, 2006 the County gave final reading to and enacted Ordinance No. 092-06HR (the "Bond Ordinance") authorizing the issuance of a Richland County, South Carolina Special Source Revenue Bond (Vulcan River Road Project) Series 2007 in the principal amount not to exceed \$3,000,000 (the "Bond"), for the purpose of reimbursing the Company for a portion of the cost of the infrastructure associated with the Project (collectively, the "Infrastructure Improvements").

6. County Council has agreed to finance the items set forth above and adopts this Resolution to evidence its approval of the issuance and delivery of the Bond as aforesaid and authorize a Petition to the State Budget and Control Board of South Carolina (the "State Board") setting forth the facts required by the Act.

7. County Council has determined that the financing of the construction and installation of the Infrastructure Improvements (collectively, the "Undertaking") will subserve the purposes of the Act and that neither the Undertaking nor the Bond will give rise to any pecuniary liability of the County or a charge against its general credit or taxing powers.

8. It is anticipated that the Project will benefit the general public welfare of the County by providing infrastructure necessary for the continued economic development of the County, and by providing additional employment opportunities for people from the County and adjacent areas when the Project is placed in full operation with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of industrial development not otherwise provided locally.

9. The Company has informed the County that the estimated amount necessary to finance the construction and installation of the Infrastructure Improvements, provide for all costs of issuance and any other costs associated with the Bond, is not to exceed \$3,000,000.

10. The Bond Ordinance provides in general for or that:

(a) proceeds derived from the placement of the Bond will be used and applied by the County for payment of the costs of economic development improvements (as that term is described in the Act) incident to the acquisition, construction and installation of the Project,

(b) the County does not incur any pecuniary liability or charge upon its general credit or taxing powers in connection with the Bond,

(c) an irrevocable pledge for the benefit of the registered owner of the Bond of the County's right, title and interest in and to specified portions of the payments in lieu of taxes to be received by the County under the MCIP Agreement pertaining to the Project, and

(d) the terms of the Bond, the provisions for exchange and transfer thereof, the prepayment provisions, the means of disbursement thereunder and various other terms and provisions of the Bond.

11. The Bond shall be issued in the principal amount of not to exceed \$3,000,000.

12. The Company has advised the County that the Bond will be purchased by the Company or a subsidiary or affiliate thereof.

ARTICLE II

SUBMISSION OF PETITION

Section 2.01

A Petition in form substantially as attached hereto as Exhibit A shall be presented to the State Board from time to time to seek the approval required by the Act; and the County Administrator, in accordance with this Resolution and the Bond Ordinance, is authorized to execute and deliver the Petition.

ADOPTED by the County Council of Richland County, South Carolina, this __ day of July, 2007.

RICHLAND COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Joseph McEachern, Chair
Richland County Council

Attest:

Michielle R. Cannon-Finch
Clerk of Richland County Council

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

**TO THE STATE BUDGET AND CONTROL
BOARD OF SOUTH CAROLINA**

PETITION

The Petition of the County Council of Richland County, South Carolina (the "County Council") respectfully shows:

1. County Council is the governing body of Richland County, South Carolina (the "County") as established by law, and, as such, is the Governing Board referred to in Title 4, Chapters 1 and 29, Code of Laws of South Carolina 1976, as amended (collectively, the "Act").

2. The County and Fairfield County (together, the "Counties") pursuant to a Master Agreement Governing the I-77 Corridor Regional Industrial Park dated April 15, 2003 (the "MCIP Agreement"), established the I-77 Corridor Regional Industrial Park (the "Park") as a joint county industrial and business park under the provisions of Article VIII, Section 13 of the South Carolina Constitution and Title 4, Chapter 1 Code of Laws of South Carolina 1976, as amended (collectively, the "Multi-County Park Act").

3. Pursuant to the Act and the terms of a Memorandum of Understanding approved by the County Council on May 1, 2006 (the "Inducement Agreement") between the County and Vulcan Construction Materials, L.P. (the "Company"), the County has agreed to assist the Company in the design, construction, improvement and expansion of certain infrastructure and related facilities in the operation of a commercial and/or manufacturing enterprise, specifically including the design and construction of a road along the western boundary of its property connecting Rosewood Drive (the "Project").

4. The Project will provide an alternative route for truck traffic to and from the Company's quarry site located in the County. The Counties added two of the Company's quarry sites to the Park by ordinance.

5. Under the provisions of Sections 4-1-175 of the Act (the "SSRB Act"), the County is authorized to issue bonds secured by and payable from revenues it receives from payments in lieu of taxes under the Act for the purpose of paying the cost of designing, acquiring, constructing, improving or expanding the certain economic development improvements, including the infrastructure serving the County and any improved or unimproved real property used in the operation of the manufacturing or commercial enterprise in order to enhance the economic development of the County.

6. As further inducement to the Company, on October 3, 2006 the County gave final reading to and enacted Ordinance No. 092-06HR (the "Bond Ordinance") authorizing the issuance of a Richland County, South Carolina Special Source Revenue Bond (Vulcan River Road Project) Series 2007 in the principal amount not to exceed \$3,000,000 (the "Bond"), for the purpose of reimbursing the Company for a portion of the cost of the infrastructure associated with the Project (collectively, the "Infrastructure Improvements").

7. County Council has determined that the financing of the construction and installation of the Infrastructure Improvements (collectively, the “Undertaking”) will subserve the purposes of the Act and that neither the Undertaking nor the Bond will give rise to any pecuniary liability of the County or a charge against its general credit or taxing powers.

8. It is anticipated that the Project will benefit the general public welfare of the County by providing infrastructure necessary for the continued economic development of the County, and by providing additional employment opportunities for people from the County and adjacent areas when the Project is placed in full operation with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of industrial development not otherwise provided locally.

9. For the reasons above set forth and hereinafter disclosed, the County Council has found that:

(a) the Undertaking will subserve the purposes of the Act;

(b) the Undertaking will have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by assisting in the providing of employment not otherwise provided in the County;

(c) by reason of the Undertaking, no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing powers.

(d) the Company’s estimate of the amount necessary to finance the construction and installation of the Infrastructure Improvements, provide for all costs of issuance and any other costs associated with the Bond, is not to exceed \$3,000,000.

(e) the amount required to finance the construction and installation of the Infrastructure Improvements is not to exceed \$3,000,000.

10. The Bond Ordinance provides in general for or that:

(a) proceeds derived from the placement of the Bond will be used and applied by the County for payment of the costs of economic development improvements (as that term is described in the Act) incident to the acquisition, construction and installation of the Project, capitalized interest on the Bond and costs of issuance of the Bond;

(b) the County will incur no pecuniary liability or charge upon its general credit or taxing powers in connection with the Bond;

(c) an irrevocable pledge for the benefit of the registered owner of the Bond of the County’s right, title and interest in and to specified portions of the payments in lieu of taxes to be received by the County under the MCIP Agreement pertaining to the Project; and

(d) the terms of the Bond, the provisions for exchange and transfer thereof, the prepayment provisions, the means of disbursement thereunder and various other terms and provisions of the Bond.

11. The Bond will be purchased by the Company.

12. The Bond Ordinance and the Bond are substantially in the form heretofore used in the issuance of Special Source Revenue Bond pursuant to the SSRB Act.

Upon the basis of the foregoing, County Council respectfully prays:

That the State Board accept the filing of the Petition presented herewith; that it find that the proposed Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; on the basis of such finding, that it approve the Undertaking, including changes in any details of the said financing as finally consummated which do not materially affect the Undertaking and give published notice of its approval in the manner set forth in the Act.

Respectfully Submitted,

RICHLAND COUNTY, SOUTH CAROLINA

By: _____
Milton J. Pope, County Administrator
Richland County



John A. Cadena
Community, Economic Development
& Local Government Representative

January 15, 2007

Ms. Linda Hagstrom
Manager
HR Analysis & Government Incentives Programs
Staples, Inc.
500 Staples Drive
Framingham, MA 01702

Re: Staples Grant

Dear Ms. Hagstrom,

It has been a pleasure working with you recently on the Staples Project and we are pleased that your company has chosen the Fontaine Business Park at 300 Arbor Lake Drive in Richland County, South Carolina. We look forward to assisting your company in getting the facility operational. This letter will confirm a grant commitment SCANA Corporation made for this project in an e-mail to Dale Clemments with Fischer and Company.

In recognition of the proposed \$4.5 million capital investment, the creation of almost 350 new jobs and the anticipated electric revenues, SCANA Corporation will provide a Community/Economic Development Grant to Richland County in the amount of \$20,000 for Staples on-site or off-site infrastructure needs. The grant will be made available after Staples has signed an electric service contract with South Carolina Electric and Gas Company (SCE&G), closes on or leases the aforementioned property in Richland County and provides proof of the infrastructure expenditures.

We look forward to having Staples as a corporate neighbor and to being the electric service provider. If you have any questions regarding this commitment, please give me a call.

Sincerely,

John Cadena

CC: Dale Clemments, Fischer and Company

Richland County Council Request of Action

Subject: Community Development Five-Year Consolidated Plan

A. Purpose

Council is requested to approve the Consolidated Plan after the thirty (30) day public comment period has been concluded in order to continue to receive the Community Development Block Grant and HOME funds.

B. Background / Discussion

Richland County has been receiving HUD federal funds for the past five years. The County is required to update the Five-Year Consolidated Plan in order to continue the funding. The Plan will cover the period of October 1, 2007 through September 30, 2011.

Due to size of the draft report, Council received a copy of the executive summary and the 2007 Annual Action Plan. The draft will be available on the Richland County web page. There is a required 30-day public comment period that is required and the Community Development will be responsible for ensuring that process. The public comment period begins June 25, 2007 and ends July 24, 2007. Written comments are to be submitted to Sherry Wright Moore before the ending date. Council must approve the Plan before submitting to HUD.

The Plan must be submitted to HUD by August 15, 2007. As a result of Council's summer schedule, Council must approve the plan on July 31, 2007 (this will allow for the completion and consideration of any comments received. As a result, HUD will review the Plan for consideration and approval. Once approved, Richland County will receive notification to proceed with the 2007 Annual Action Plan, beginning October 1, 2007.

A copy of the Executive Summary was mailed to council previously. Additional copies will be available prior to the committee meeting.

C. Financial Impact

By approving this Consolidated Plan, Richland County anticipates receiving approximately \$2,005,567 in CDBG and HOME funds. This five-year plan outlines the need for one additional staff (see Executive Summary – code enforcement program). CDBG funds will cover the personnel cost.

D. Alternatives

1. Give final approval to the Consolidated Plan after the thirty-day public comment period which ends July 24, 2007 and receive substantial federal grant funds to continue the efforts of the Community Development Department.

2. Do not approve the Consolidated Plan and lose federal grant dollars and the opportunity to improve the quality of life for eligible citizens.

E. Recommendation

It is recommended that the Committee forward this item on to Council for consideration of approval following the thirty-day public comment period.

Recommended by: Sherry Wright Moore **Department:** Community Development
Date: 6/12/07

F. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 6/13/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Amelia Linder

Date: 6/14/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Administration

Reviewed by: Tony McDonald

Date: 6/14/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: