

ORDINANCE NO. 166.2010

FILED FOR RECORD

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A
FEE AGREEMENT BY AND BETWEEN KERSHAW COUNTY,
SOUTH CAROLINA AND NEW SOUTH COMPANIES, INC. AND ITS SUBSIDIARIES
TO PROVIDE FOR A FEE IN LIEU OF TAXES.

NOV 18 AM 10:05
CLERK OF COURT
KERSHAW COUNTY, S.C.

WHEREAS, Kershaw 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 Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the "Act") (i) to enter into agreements with qualifying industry to encourage investment in projects constituting economic development property through which the industrial development of the State of South Carolina will be promoted by inducing new and existing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ manpower and other resources of the State; and (ii) to covenant with such industry to accept certain payments in lieu of *ad valorem* taxes ("FILOT") with respect to such investment; and

WHEREAS, New South Companies, Inc, a South Carolina corporation (the "Sponsor"), informed the County in 2010 of its intention, through its wholly owned subsidiaries, to improve its subsidiaries' existing mill operations in Kershaw County, South Carolina (the "Property") with the addition of certain planer mill equipment, and general mill-wide infrastructure, equipment and real property improvements that have not been previously on the tax rolls in the State of South Carolina (collectively, the "Project"), provided that the Sponsor and the County reached an agreement on a FILOT package for the Project; and

WHEREAS, the County has determined, pursuant to the Act, to induce the Project and finalize with the Sponsor the FILOT incentive package for the Project according to the terms and conditions of the fee agreement referred to below.

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

Section 1. The County Council, having made a finding that the Project brings benefits to the County as set forth in Section 3 of this Ordinance, expresses its intention that this Ordinance shall fulfill the requirement under the Act as an official action on the part of the County Council relating to identifying and inducing the Project.

Section 2. The Chairman and the Vice Chairman of the County Council is hereby authorized and directed to execute the Fee Agreement attached hereto in the name of and on behalf of the County, and the Clerk to the County Council is hereby authorized and directed to attest to the same; and the Clerk to the County Council is hereby further authorized and directed to deliver said executed Fee Agreement to the Company.

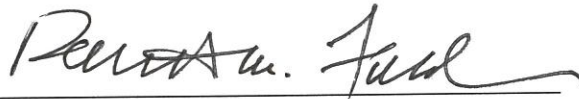
Section 3. The County hereby finds (i) the Project will benefit the general public welfare of the County by providing service, employment, recreation or other public benefits not otherwise provided locally; (ii) the project gives rise to no pecuniary liability of the County or

incorporated municipality or to no charge against its general credit or taxing power; (iii) the purposes to be accomplished by the Project are proper governmental and public purposes; and (iv) the benefits of the Project to the public are greater than the costs to the public.

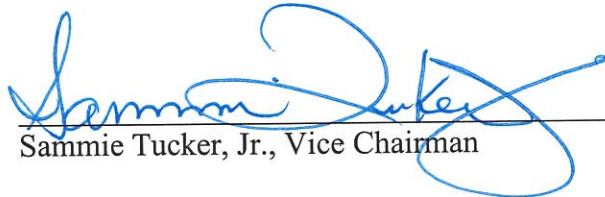
Section 4. All ordinances, resolutions and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

This Ordinance shall take effect and be in full force only after the County Council has approved it after three readings and a public hearing has been duly and timely held.

KERSHAW COUNTY, SOUTH CAROLINA

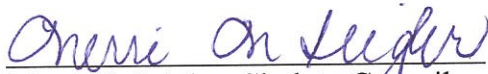


Robert M. Ford, Chairman



Sammie Tucker, Jr., Vice Chairman

ATTEST:


Merri M. Seigler, Clerk to Council

READINGS:

First Reading:	10/12/10
Second Reading:	10/26/10
Third Reading:	11/09/10
Public Hearing:	11/09/10