

**FIRST AMENDMENT OF FEE-IN-LIEU OF AD VALOREM TAXES AGREEMENT**

This First Amendment of Fee-in-Lieu of *Ad Valorem* Taxes Agreement (the “Fee Amendment”) is made and entered into as of November 5, 2013, by and between Greenville County, South Carolina (“County”), a body politic and corporate and political subdivision of the State of South Carolina, and Fitesa Simpsonville, Inc. (formerly known as FitesaFiberweb Simpsonville, Inc.), a Delaware corporation authorized to do business in South Carolina (the “Company”).

WHEREAS, all capitalized terms not specifically defined herein shall have the meaning as defined and described in the Fee Agreement (as that term is defined below), and if not defined therein shall have the meaning as defined in Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the “Code”), and if not defined therein shall have the meaning as defined in Title 4, Chapters 1 and 29 of the Code (collectively, the “Act”); and

WHEREAS, the County and the Company previously entered into a Fee-in-Lieu of *Ad Valorem* Taxes Agreement dated December 1, 2009 (“Fee Agreement”), a copy of which is attached hereto as Exhibit A; and

WHEREAS, the Company has changed its name from FitesaFiberweb Simpsonville, Inc. to Fitesa Simpsonville, Inc. and desires that the Fee Agreement reflect such name change; and

WHEREAS, the Fee Agreement currently provides for, among other things, a fee in lieu of benefit to the Company, as well as a special source revenue credit equal to 40% of the fee payments thereunder for a period of thirteen (13) years; and

WHEREAS, pursuant to the Fee Agreement, the Company is obligated to invest at least \$100,000,000 in the Project (as defined in the Fee Agreement) by December 31, 2016, which is the end of the Investment Period (as defined in the Fee Agreement) (the “Original Investment Requirement”); and

WHEREAS, the Company, as Sponsor, along with one or more existing, or to be formed or acquired subsidiaries, or affiliated or related entities, is planning to expand the Project and increase its investment commitment thereunder to \$115,000,000 by December 31, 2019, which will be the end of the Investment Period, as extended by this Fee Amendment (the “Expanded Investment Requirement”); and

WHEREAS, in connection with the Expanded Investment Requirement, the Company and the County desire to amend the Fee Agreement in order to waive the Original Investment Requirement and extend the investment period provided under the Fee Agreement by a period of three (3) years in order to provide for the Expanded Investment Requirement; and

WHEREAS, in connection with the Expanded Investment Requirement, the Company has further requested that the County amend the Fee Agreement to increase the special source revenue credit provided thereunder to forty-five percent (45%) and to extend the period for which such credits are being provided by a period of five (5) years; and

WHEREAS, with respect to the Inducement Agreement and Millage Rate Agreement with respect to the Project dated August 4, 2009 (“Inducement Agreement”), all of the terms found therein, to the extent that said terms reflect the terms found in the Fee Agreement and in the

amendments made under this Fee Amendment, shall be construed such that their definitions are consistent with the defined terms of the Fee Agreement and the Fee Amendment; and

WHEREAS, County has authorized this Fee Amendment by an Ordinance of County Council adopted November 5, 2013.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the County and the Company agree as follows:

1. The Fee Agreement and any Exhibits thereto shall be and are hereby amended in all respects to reflect that the Company's name has changed from FitesaFiberweb Simpsonville, Inc. to Fitesa Simpsonville, Inc.
2. The Fee Agreement shall be and is hereby amended by amending the definition of the term "Threshold Date" in Section 1.01 thereof to mean December 31, 2019.
3. The Fee Agreement shall be and is hereby amended by striking the seventh and eighth recitals thereto and replacing the same with the following recitals:

**"WHEREAS**, based on representations by the Company that the Project will represent a capital investment in the County of not less than One Hundred Fifteen Million Dollars (\$115,000,000.00), and will create not less than fifty (50) new full time equivalent jobs, during the period beginning with the first day that real or personal property comprising the Project is purchased or acquired and ending on December 31, 2019, in order to enhance the economic development of the County, the County desires to assist the Company in locating the Project within the County; and

**WHEREAS**, the County, pursuant to certain negotiations heretofore undertaken with the Company with respect to the Project as reflected in a Resolution duly adopted by County Council on August 4, 2009, as amended, has entered into the Inducement Agreement with the Company pursuant to which: (i) the County agreed to enter into a FILOT arrangement with the Company, and to provide special source revenue financing in the form of a credit to reimburse the Company for certain qualifying Infrastructure expenditures in connection with the Project (the "Project Infrastructure"); and (ii) the Company agreed to make payments-in-lieu of tax to the County ("FILOT Payments") with respect to the Project as authorized in the Act; and

**WHEREAS**, the County, pursuant to an Ordinance adopted November 5, 2013, authorized the amendment of this Agreement and the Inducement Agreement, the terms of which are set forth in that Fee Amendment dated October 1, 2013; and"

4. The Fee Agreement shall be and is hereby amended by striking Section 2.02(e) thereof and replacing the same with the following:

"(e) The Company warrants to expend not less than One Hundred Fifteen Million and No/100 (\$115,000,000.00) Dollars for Costs of the Project and to create at least 50 new, full-time equivalent jobs, all prior to the end of the Investment Period."

5. The Fee Agreement shall be and is hereby deemed to be amended so that any specific reference to the Company's investment of One Hundred Million Dollars (\$100,000,000) therein, including but not limited to Sections 4.01(a), 5.01(d), 5.01(f) and 10.02, hereafter deemed to read One Hundred Fifteen Million Dollars (\$115,000,000).

6. In order to extend the period for taking special source revenue credits under the Fee Agreement for a period of five (5) additional years, the Fee Agreement shall be and is hereby amended by replacing Section 5.02(b) in its entirety, to read as follows:

“(b) Pursuant to Section 12-44-70 of the Act, the County authorizes and grants the Company an Infrastructure Credit for a period of eighteen (18) years. Unless the County is otherwise notified by the Company, the Infrastructure Credits hereunder shall be taken against the first eighteen (18) years of Net FILOT Payments paid by the Company hereunder. The Treasurer of the County shall display and subtract the Infrastructure Credit from the FILOT Payment statement sent to the Company for the duration of the Infrastructure Credit. For any Net FILOT Payments due prior to the effective date of the Fee Amendment, the Infrastructure Credit shall be in an amount of forty percent (40%) of the Company's annual Net FILOT Payments in connection with the Project. With respect to any NET FILOT Payments due after the effective date of the Fee Amendment, the Infrastructure Credit shall be in an amount of forty-five percent (45%) of the Company's annual Net FILOT Payment in connection with the Project as expanded. To the extent that the Infrastructure Credit due for property tax year 2013 in the amount of 45% is not reflected on County's property tax bill due on January 15, 2014, the County shall pay upon written request by the Company a reconciliation payment for the additional amount of the Infrastructure Credit due for the 2013 property tax year.”

7. The Fee Agreement shall be and is hereby amended by adding the following paragraph to the end of Section 11.02:

“A failure to achieve the stated investment or job requirements as set forth in this Agreement shall not result in an Event of Default hereunder, but shall be subject, as applicable, to the payment obligations set forth in Section 5.01(f) and the termination rights of the County as set forth in Section 10.02.”

8. The Fee Agreement shall be and is hereby amended by adding a new Section 12.11 as follows:

**Section 12.11. State Grant; Carolina Investment Fund**

In addition to any benefits being provided to the Company by the County pursuant to this Fee Agreement, the County has agreed to receive and administer or cause the receipt and administration of grants for the benefit of the Project in the aggregate amount of \$50,000 from AdvanceSC and the Carolina Investment Fund (Duke Energy). The terms of such grants may be more fully set forth in whatever ancillary agreements the respective parties deem appropriate.

9. Except as described in Sections 1 through 8 of this Fee Amendment, the Fee Agreement shall remain unchanged and in full force.

10. If any term, provision, or any portion of this Fee Amendment shall, to any extent and for any reason, be held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Fee Amendment shall not be affected thereby and shall nevertheless remain in full force and effect, and each term and/or provision of this Fee Amendment shall be valid and enforceable to the fullest extent permitted by the law. To the extent that any benefits for the Company provided under this Fee Amendment are held invalid or unenforceable, the County, to the extent permitted by the law, shall take whatever action required and permitted under the law to provide the Company with incentives that would afford the Company the same or substantially similar value of those benefits found invalid or unenforceable.

11. Counterparts. The parties may execute this Fee Amendment in counterparts, each of which is an original and all of which, together, constitutes one and the same Fee Amendment.

IN WITNESS WHEREOF, Greenville County, South Carolina, has executed this Fee Amendment by causing its name to be hereunto subscribed by the Chairman of the County Council for the County and its County Administrator and attested by the Clerk to the County Council, and the Company, as Sponsor, has executed this Fee Amendment by causing its corporate name to be hereunto subscribed by its authorized representatives, all being done as of the day and year first written above.

GREENVILLE COUNTY, SOUTH CAROLINA

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Bob Taylor  
County Council Chairman

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Joe Kernell  
County Administrator

ATTEST:

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Theresa B. Kizer  
Clerk to County Council

Fitesa Simpsonville, Inc.

By: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A**  
**Fee Agreement**