

**FIRST AMENDMENT TO INDUCEMENT AGREEMENT AND MILLAGE RATE
AGREEMENT AND FEE IN LIEU OF TAX AGREEMENT**

This First Amendment to Inducement Agreement and Millage Rate Agreement and Fee In Lieu of Agreement (the “Amendment”) is made and entered into as of _____, 2013 by and between Greenville County, South Carolina (the “County”), a body politic and corporate and a political subdivision of the State of South Carolina, and Precision Valve Corporation, a corporation organized and existing under the laws of the State of New York (the “Corporation”).

WHEREAS, all capitalized terms not specifically defined herein shall have the meaning as defined 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 “Act”); and

WHEREAS, the Corporation operates and has been expanding a manufacturing facility in the County, has been engaged in the relocation and expansion of a research and development facility in the County, and has been engaged in the relocation of a regional corporate headquarters to the County (as defined in the Fee Agreement, and collectively the “Project”); and

WHEREAS, the County and the Corporation entered into that certain Inducement Agreement and Millage Rate Agreement dated as of November 21, 2006 (the “Inducement Agreement”) and that certain Fee in Lieu of Tax Agreement dated as of May 20, 2008 (the “Fee Agreement” and, collectively with the Inducement Agreement, the “Agreements”), copies of which are attached hereto as Exhibits A and B, respectively, by which there was created a fee-in-lieu-of-tax arrangement with respect to certain property owned by Corporation and located at the Project; and

WHEREAS, pursuant to the Agreements, the Corporation committed to invest at least \$50,000,000 (the “Minimum Investment”) and create at least 200 new jobs (the “Jobs Creation Commitment”) at the Project by December 31, 2013 (the “Threshold Date”); and

WHEREAS, the Agreements also provided for an extension of five (5) years beyond the Threshold Date within which the Corporation may invest additional property in the County to complete the Project and have such additional property treated as Economic Development Property (as that term is defined in the Fee Agreement), with such extended investment period ending on December 31, 2018; and

WHEREAS, the Agreements also provided for a special source revenue credit equal to 35% of the Corporation’s fee-in-lieu-of-tax payments for a period of ten (10) years (the “SSRC”); and

WHEREAS, since the date of the Fee Agreement, the Corporation has met or exceeded the Jobs Creation Commitment; and

WHEREAS, since the date of the Fee Agreement and prior to December 31, 2013, the Company has invested over \$25,000,000 in taxable building additions, improvements, machinery and equipment, as well as other non-taxable investment, at its facility in the County; and

WHEREAS, the Corporation desires to continue to operate its manufacturing facility in the County, and make further investment in the Project, and has requested that the County amend the Agreements to reduce the required Minimum Investment from \$50,000,000 to \$25,000,000, to prospectively eliminate the SSRC, and for related matters, but that the Agreements will otherwise remain in full force and effect; and

WHEREAS, the County has determined that this proposed amendment of the Agreements would benefit the general public welfare of the County by assisting the Corporation to weather these economically adverse times, thereby securing the jobs and employment in the County, the ad valorem tax base of the County, and other public benefits; and that the proposed amendment of the Agreements gives rise to no pecuniary liability of the County or an incorporated municipality or a charge against the general credit or taxing power of either; and

WHEREAS, the purposes to be accomplished by the continued operation of the Project and the amendment of the Agreements, i.e., economic development, creation or retention of jobs, and addition to or maintenance of the tax base of the County, are proper governmental and public purposes; the location of the Project within the County and State of South Carolina is of paramount importance; and the benefits of the Project will continue to be greater than the costs; and

WHEREAS, the County desires to accommodate the Corporation's request to amend the Agreements to reduce the required Minimum Investment to \$25,000,000, to prospectively eliminate the SSRC, and for related matters, but that the Agreements shall otherwise remain in full force and effect; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and the Corporation agree that the Agreements are amended in all respects as follows:

1. Reduction of Minimum Investment. The Agreements shall be amended to reduce the required Minimum Investment from \$50,000,000 to \$25,000,000. The Agreements shall also be amended so that the amount of "\$50,000,000" shall be deleted and "\$25,000,000" shall be substituted in lieu thereof in all instances in the Agreements, including, but not limited to, Sections 1.1(c), 2.2, 2.2(e), 2.2(f)(1), 2.5, and 3.3(f) of the Inducement Agreement and Sections 2.02(e), 4.01(a), 4.01(b), 5.01(d), 5.01(f), and 10.02 of the Fee Agreement.
2. Elimination of SSRC. The SSRC is hereby prospectively eliminated; provided, however, that the Corporation shall retain the benefit of the SSRC received in all property tax periods of the Corporation ended on or before May 31, 2013.

3. Waiver of Overpayments. The Corporation waives any right to claim a refund for fee-in-lieu-of-tax overpayments made for the property tax periods ended May 31, 2008 through and including May 31, 2013.
4. Waiver of Recapitulation Requirement. Pursuant to Section 12-44-55(B) of the Act the parties agree to waive the recapitulation herein of the terms hereof and all the other items described in Section 12-44-55 of the Act.
5. Future Approvals Under Fee Agreement. If, under the Fee Agreement or the Act any future actions of the Corporation (including, without limitation, the assignment of all or part of the Project, or the assignment of any or all interest in the Fee Agreement) require the approval of the County, such approval, to the extent permitted by law, can be given on behalf of the County by the Chairman and the County Administrator upon affirmative resolution of the County Council. The execution of a written approval by County officials shall constitute conclusive evidence that the County has approved the respective actions of the Corporation.
6. Other Terms and Provisions of Fee Agreement. All other terms and provisions of the Fee Agreement shall remain in full force and effect.
7. Severability. If any material provision of this Fee Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof unless the effect thereof would render enforcement of the remaining provisions unconscionable.
8. Headings; References. The headings of this Amendment are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof.
9. Multiple Counterparts. This Amendment may be executed in multiple counterparts, each of which shall be an original, but all of which shall constitute but one and the same instrument.

[signatures on following page]

IN WITNESS WHEREOF, Greenville County, South Carolina has executed this First Amendment to Fee Agreement by causing its name to be hereunto subscribed by the Chairman of its County Council and its County Administrator, and Precision Valve Corporation has executed this First Amendment of Fee Agreement by causing its corporate name to be hereunto subscribed by its authorized representative, all being done as of the day and year first written above.

WITNESSES:

GREENVILLE COUNTY, SOUTH CAROLINA

By: _____
Bob Taylor, Chairman, County Council
of Greenville County, South Carolina

ATTEST:

Theresa Kizer, Clerk to Council
of Greenville County, South Carolina

By: _____
Joseph Kernell,
Greenville County Administrator

WITNESSES:

PRECISION VALVE CORPORATION

By: _____
Its: CFO _____
By: _____
Its: General Manager _____

EXHIBIT A

Inducement Agreement

EXHIBIT B

Fee Agreement