

STATE OF SOUTH CAROLINA     )  
   )  
 COUNTY OF GREENVILLE        )       **FIRST AMENDMENT TO FEE IN LIEU  
   )       OF TAX AGREEMENT**

This First Amendment to Fee in Lieu of Tax Agreement (the “*First Amendment*”) is entered into by and between GREENVILLE COUNTY, SOUTH CAROLINA (the “*County*”) and LOCKHEED MARTIN CORPORATION (the “*Company*”) this \_\_\_\_ day of \_\_\_\_\_, 2020.

**WHEREAS**, 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 (the “*FILOT Act*”), and Title 4, Chapters 1 and 29 of the Code of Laws of South Carolina, 1976, as amended, to enter into agreements with industry whereby the industry would pay fees in lieu of taxes with respect to qualified projects, to provide infrastructure credits against payments in lieu of taxes for reimbursement in respect of investment in certain infrastructure enhancing the economic development of the County; through all such powers the industrial development of the State of South Carolina (the “*State*”) will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain in the State and thus utilize and employ the manpower, products and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

**WHEREAS**, pursuant to the FILOT Act, the County previously entered into that certain Fee in Lieu of Tax Agreement with the Company dated as of December 6, 2016 (the “*Fee Agreement*”), providing for the payment of fees in lieu of taxes with respect to the Project, as the Fee Agreement defines such term; and

**WHEREAS**, Section 12-44-30(13) of the FILOT Act provides that the Company may request an extension of the Investment Period, as the FILOT Act defines such term, and the County may approve an extension of up to five years; and

**WHEREAS**, the Company has requested an extension of the Investment Period; and

**WHEREAS**, pursuant to an Ordinance of even date herewith, the County Council authorized the execution and delivery of this First Amendment.

**NOW, THEREFORE**, in consideration of the respective representations and agreements hereinafter contained, the County and the Company agree as follows:

1. The “Summary of Contents of Fee In Lieu of Tax And Special Source Credit Agreement” of the Fee Agreement is amended so that the references to the “Standard Investment Period” are changed to the “Investment Period.”

2. Section 1.01 of the Fee Agreement is hereby amended to revise the definition of “Investment Period,” “Project” and “SSC Minimum Investment,” as follows:

“*Investment Period*” shall mean the period of time from January 1, 2017 through December 31, 2025.

“*Project*” shall mean all the Equipment and Improvements that the Company determines to be necessary, suitable or useful for the purposes described in Section 2.02(b) hereof, to the extent determined by the Company and any Sponsor Affiliate to be a part of the Project and placed in service during the Investment Period, and any Replacement Property. Notwithstanding anything in this Fee Agreement to the

contrary, except, however, that the Project solely as it relates to determining whether the Company has met the SSC Minimum Investment shall not be limited by Section 12-44-110 of the FILOT Act, the Project shall not include property which will not qualify for the FILOT pursuant to Section 12-44-110 of the FILOT Act, including without limitation property which has been subject to ad valorem taxation in the State prior to commencement of the Investment Period; provided, however, the Project may include (a) modifications which constitute an expansion of the real property portion of the Project and (b) the property allowed pursuant to Section 12-44-110(2) of the FILOT Act. Project shall include aircraft with qualifies under Section 12-44-30(16) of the Code.

**“SSC Minimum Investment”** shall mean \$29,000,000. Notwithstanding anything herein to the contrary, and solely for the purpose of determining whether the Company has met the SSC Minimum Investment, all investment made by the Company in the County during the Investment Period in real and personal property related to or as part of the Project shall be considered part of the SSC Minimum Investment whether or not such investment is FILOT-eligible or FILOT-ineligible investment under the FILOT Act.

3. Section 4.02(a) and 4.02(d) of the Fee Agreement are hereby deleted and replaced with the following:

Section 4.02(a)

(a) In accordance with and pursuant to Section 12-44-70 of the FILOT Act and Section 4-1-175 of the MCIP Act, in order to reimburse the Company for qualifying capital expenditures incurred for costs of the Infrastructure during the Investment Period, the Company shall be entitled to receive, and the County agrees to provide, annual Special Source Credits against the Company’s FILOT Payments for a period of ten (10) consecutive years in an amount equal to forty percent (40%) of that portion of FILOT Payments payable by the Company with respect to the Project (that is, with respect to investment made by the Company in the Project during the Investment Period), calculated and applied after payment of the amount due the non-host county under the MCIP Agreement. In order to start receiving the Special Source Credits, the Company must notify the County that the Company elects to commit to reaching the SSC Minimum Investment during the Investment Period by sending to the County the notice attached hereto as Exhibit C (the “Company Election Notice”). If the Company sends the County the Company Election Notice, the Special Source Credits shall commence with the first annual FILOT Payment to be payable after the Company gives the County the Company Election Notice and shall continue for the ten (10) consecutive year period. If the Company does not send the Company Election Notice to the County prior to the expiration of the Investment Period, the Company shall not be entitled to the Special Source Credits set forth above.

Section 4.02(d)

(d) Should the SSC Minimum Investment not be met by the end of the Investment Period, any Special Source Credits otherwise payable under this Agreement shall no longer be payable by the County, and the Company shall be retroactively liable to the County for the amount of the Special Source Credits previously received by the Company, plus interest at the rate payable for late payment of taxes. Any amounts determined to be owing pursuant to the foregoing sentence shall be payable to the County on or before the one hundred twentieth (120<sup>th</sup>) day following the last day of the Investment Period.

4. Except as set forth in this First Amendment, all terms and conditions of the Fee Agreement remain unchanged and in full force and effect.

[SIGNATURES ON THE FOLLOWING PAGE]

**IN WITNESS WHEREOF**, the County, acting by and through the County Council, has caused this First Amendment to be executed in its name and behalf by the Chairman of County Council and the County Administrator and to be attested by the Clerk of the County Council; and Lockheed Martin Corporation has caused this First Amendment to be executed by its duly authorized officer, all as of the day and year first above written.

**GREENVILLE COUNTY, SOUTH CAROLINA**

(SEAL)

By: \_\_\_\_\_  
Chairman of County Council

By: \_\_\_\_\_  
County Administrator

**ATTEST:**

\_\_\_\_\_  
Clerk to County Council of  
Greenville County, South Carolina

**LOCKHEED MARTIN CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_