

ORDINANCE NO.: 2006-103

Authorizing transfer of 295 +/- acres, Richland County

BE IT ORDAINED by the Mayor and Council of the City of Columbia, South Carolina, this 13th day of December, 2006, that the City Manager is hereby authorized to execute the Contract for Purchase and Sale of Property attached and shown as Exhibit "A", Limited Warranty Deed and any closing documents necessary to effect the conveyance of the property described in the aforesaid Contract for Purchase and Sale of Property.

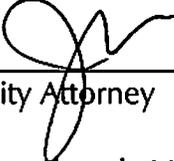
Requested by:


MAYOR

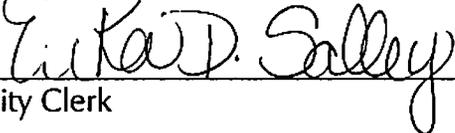
Approved by:


City Manager

Approved as to form:


City Attorney

ATTEST:


City Clerk

Introduced: 11/29/2006

Final Reading: 12/13/2006

ORIGINAL
STAMPED IN RED

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

**CONTRACT FOR PURCHASE AND
SALE OF PROPERTY**

THIS CONTRACT FOR PURCHASE AND SALE OF PROPERTY (the "**Contract**") is made and entered into as of the 28th day of November, 2006 by and between the City of Columbia (the "**Seller**"), and Arum Composites, LLC, a Delaware limited liability company (the "**Purchaser**").

STATEMENT OF PURPOSE

Seller is the owner of a parcel of land in Richland County, South Carolina, together with any and all improvements, easements, and/or other intangible rights appurtenant thereto. Seller agrees to sell, convey, assign, transfer and deliver to Purchaser, and Purchaser agrees to purchase, acquire and take from Seller, the Property (as hereinafter defined) subject to the terms, conditions and provisions set forth in this Contract. The sale shall include all of Seller's right, title and interest in and to the Property.

NOW, THEREFORE, subject to the terms and conditions of this Contract, and in consideration of the premises and the mutual promises and agreements hereinafter set forth, Seller and Purchaser agree as follows:

1. Description of Subject Property. Seller agrees to sell to Purchaser and Purchaser agrees to purchase from Seller the property described below:

(a) all those certain pieces, parcels, or tracts of land, together with any improvements and fixtures, if any, thereon, situate, lying, and being on the southwestern side of Wilson Road (US Highway 21), near the town of Blythewood, in the County of Richland, State of South Carolina, containing approximately 295 GROSS ACRES; and being more particularly shown and delineated as PARCEL "B", (the "**Townsend Tract**"), containing 73.643 acres, on an ALTA/ASTM Land Title Survey prepared for Central Carolina Economic Development Alliance by Walker, Parr & Associates, Inc., dated October 10, 2000 and recorded in the office of the Register of Deeds for Richland County, South Carolina in Book ___ at Page ___, said plat being incorporated herein by reference; PARCEL "C", (the "**Palmer Tract**" comprised of Parcels C-1 and C-2), containing 147.181 acres; and PARCEL "D", (the "**Branham Tract**" comprised of Parcels D-1 and D-2), containing 73.914 acres, both being shown on an ALTA/ASTM Land Title Survey prepared for City of Columbia, South Carolina by Walker, Parr & Associates, dated December 21, 2000 and recorded in the office of the Register of Deeds for Richland County, South Carolina in Book 469 at Page 2624; and having the boundaries and measurements as shown on the said plats, reference being made thereto as often as necessary for a more complete and accurate legal description (hereinafter referred to as the "**Land**");

(b) all rights, privileges, and easements appurtenant to the Land, including all water and air rights, mineral rights, rights of way, roadways, parking areas, roadbeds, drainage rights, alleyways or other appurtenances used in connection with the Land and any after-acquired title or reversion relating thereto (the "**Intangible Property**"); and

(c) any improvements and fixtures, if any, located on the Land (the "Improvements").

The Land, the Intangible Property, and the Improvements described above are hereinafter collectively referred to as the "Property".

2. Earnest Money. Within five (5) days after execution of this Contract, Purchaser will deliver to WCSR Title, LLC (the "Escrow Agent") an Earnest Money deposit in the amount of Fifty Thousand and No/100 Dollars (\$50,000.00) (the "Earnest Money"). The Earnest Money, together with any interest earned thereon, shall be held and applied in accordance with the terms of this Contract. The parties agree that the Escrow Agent will be instructed to deposit all Earnest Money into one or more interest bearing accounts. Accrued interest on each increment on Earnest Money will be paid, credited against the Purchase Price, or otherwise disbursed as an addition to the increment of Earnest Money upon which such interest is earned. All Earnest Money deposits will be received, handled, and disbursed in accordance with the provisions of Section 21 of this Contract.

3. Purchase Price. The total purchase price for the Property (the "Purchase Price") shall be Thirty Thousand and No/100 (\$30,000.00) Dollars multiplied by the Net Useable Acreage (hereinafter defined); provided, however, that the Purchase Price resulting from this calculation shall be no less than Eight Million and No/100 (\$8,000,000.00) Dollars. The Purchase Price as so calculated will be reduced by One Million Five Hundred Thousand and No/100 Dollars (\$1,500,000.00) in exchange for the commitment from Purchaser and several affiliated companies to achieve certain investment and job creation incentives within the state of South Carolina, as described in a separate agreement among Purchaser, one or more of such affiliates, and the South Carolina Department of Commerce.

(a) Net Useable Acreage. The "Net Useable Acreage" shall be determined by subtracting the total number of acres contained in the Wetlands, Flood Plains, and Easement Areas (as each such term is defined below) from the gross total acreage as determined by the Survey (hereinafter defined).

(b) Wetlands. "Wetlands" shall be defined as areas designated as such on the wetlands delineation for the Property to be obtained by Purchaser from the U.S. Army Corps of Engineers, as modified under the procedures described in Section 18.

(c) Flood Plains. "Flood Plains" shall be defined as areas located within flood plains delineated on the Survey to be obtained by Purchaser pursuant to Section 7, but only to the extent that the nature of the Flood Plains is such that improvements are not permitted to be constructed thereon, as determined by Purchaser at its reasonable discretion.

(d) Easement Areas. "Easement Areas" shall be defined as those areas located within existing rights-of-way and easements of record located within or upon the Property, as shown and delineated on the Survey to be obtained by Purchaser pursuant to Section

7, but only to the extent an easement(s) interferes with the proposed development of the Property, as determined by Purchaser at its reasonable discretion.

4. Payment of Purchase Price. The Earnest Money will be applied against the Purchase Price at closing. The balance of the Purchase Price, as such amount is determined according to the terms and conditions of this Contract, shall be paid by Purchaser to Seller in immediately available funds at the closing described in Section 5 below.

5. Closing and Closing Date. The transaction contemplated herein will be consummated within thirty (30) days following the expiration of the Investigation Period (hereinafter defined) or an earlier date agreed upon by Seller and Purchaser (the "Closing Date"). Notwithstanding the foregoing sentence, in the event that Purchaser has, after reasonable effort and through no fault of its own, failed to close the transaction for the purchase of the Contiguous Property (as defined in Section 6 below) within thirty (30) days following the expiration of the Investigation Period, Purchaser shall have the option to extend the Closing Date by the earlier of an additional thirty (30) days or a date no later than the closing of the purchase of the Contiguous Property. In no event shall the Closing Date be later than November 30, 2007.

(a) The Purchase Price will be paid by wired funds. Seller will deliver a limited warranty deed, subject only to exceptions and encumbrances specifically approved by the Purchaser during the Investigation Period.

(b) Seller shall pay estimated ad valorem taxes on the Property, if any, for that portion of the calendar year which begins January 1 and runs through the Closing Date; and Purchaser shall be responsible for the remaining portion of such estimated ad valorem property taxes, if any. In the event either the tax assessment or tax rate is not known at the time of the Closing, the parties shall prorate at closing on the basis of the last known values and rates and adjust the prorations after such information becomes available.

(c) Purchaser acknowledges that the Property may be subject to agricultural rollback tax obligations under South Carolina law. Purchaser intends to seek a Fee In Lieu of Taxes Agreement with Richland County, and if it is successful in doing so, there will be no requirement on either party to pay such rollback taxes. In the event Purchaser is unsuccessful in obtaining such an agreement, then Purchaser and Seller will share the rollback tax obligation on a 50% / 50% basis. Purchaser will be responsible for making payment and invoicing Seller for its prorata share.

(d) Seller shall pay the South Carolina deed recording fee, if any. Each party will be responsible for its own attorneys' fees.

(e) Purchaser shall pay for the expense of filing the deed of conveyance, the cost of the Survey, the title insurance premium for coverage provided by the Title Company (hereinafter defined), and the fees and costs of Purchaser's own attorney.

6. Contiguous Property Contract. Purchaser has disclosed to Seller that Purchaser is also attempting to finalize a contract with Firetower I-77 Partners for the acquisition of a parcel of real property containing approximately 177 acres, which is located adjacent to the Property (the "**Contiguous Property**"). The acquisition by Purchaser of the Property is conditioned upon the successful acquisition of the Contiguous Property prior to or simultaneously with the closing of the transaction contemplated herein.

7. Survey. Purchaser shall have the right to cause a registered land surveyor or licensed engineer to prepare a survey (the "**Survey**") of the Property for the purposes of determining the exact legal description and acreage of the Land. The Survey may also indicate the location of any and all buildings, improvements, specific easements, roadway rights-of-way (public or private), railroad rights-of-way, officially designated flood plain areas, floodway fringe areas and wetland areas, any existing building setback lines and other matters affecting the Property in a manner reasonably acceptable to Purchaser and Purchaser's counsel. Notwithstanding the depiction or description of the Land in Section 1(a) of this Contract, the Survey shall be used for the description of the Land contained in the deed of conveyance and all other documents related to this transaction which require legal descriptions, and for the exact acreage of the Property for purposes of the calculation of the Purchase Price in accordance with Section 3 hereof. The cost of such Survey shall be borne by Purchaser.

8. Inspection Documents. Seller has provided or will provide copies of the following items, if and to the extent they are in Seller's possession or readily available to Seller, within ten (10) days after the Effective Date (collectively, the "**Inspection Documents**"):

(a) Copies of all surveys, plats, maps, easements, and drawings depicting the Property, title insurance commitments, title insurance policies and documents listed as exceptions in such commitments and policies;

(b) Building permits, curb cut permits, driveway permits, utility agreements, environmental permits and reports (including but not limited to any Phase I and Phase II environmental reports pertaining to the Property), geotechnical reports, and archeological reports;

(c) Any leases, options, service agreements, or contractual obligations of any kind affecting the Property; and

(d) Wetlands delineation surveys and all other documents relating to wetlands on the Property.

9. Investigation Period. From the Effective Date until the date that is sixty (60) days after the receipt by Purchaser of the final wetlands permit from the U.S. Army Corps of Engineers pursuant to the procedures anticipated in Section 19 of this Contract (the "**Investigation Period**"), Purchaser, Purchaser's authorized agents and employees, as well as others authorized by Purchaser, shall have full and complete access to the Property and shall be entitled to enter upon the Property and make such surveying, architectural, engineering, site planning, soil, subsurface, environmental (including without limitation a "Phase I and Phase II"

environmental audit report), water drainage, and other investigations, studies, tests and measurements (collectively, the "**Investigations**") as Purchaser deems necessary or advisable. Purchaser shall also have the right during such period to inspect and review the Inspection Documents. Purchaser agrees to indemnify and hold Seller harmless from and against any and all claims, costs, expenses, and liabilities, including reasonable attorneys' fees, arising out of or by reason of the Investigations of Purchaser or Purchaser's agents prior to settlement or other termination of this Contract. If the Investigations reveal any condition which causes the Property to be unsuitable for Purchaser's purposes, then Purchaser may terminate this Contract at any time prior to the expiration of the Investigation Period by giving written notice thereof to Seller. Except as otherwise provided below, Purchaser will be entitled to a full refund of the Earnest Money if Purchaser terminates pursuant to this paragraph. Following such termination, the parties hereto shall have no further rights, obligations or liabilities with respect to one another under this Contract.

10. Title Inspection. Purchaser may obtain a commitment for an owner's title insurance policy from such title insurer of national recognition as Purchaser shall select (the "**Title Company**"), by which commitment the Title Company agrees to insure fee simple title to the Property in an amount equal to the Purchase Price of the Property. Purchaser shall have until the expiration of the Investigation Period to review said commitment, along with the Survey, and submit to Seller written notice of any title exceptions indicated in said commitment or on the Survey which are not acceptable to Purchaser. Purchaser's failure to deliver any such written obligations prior to the expiration of the Investigation Period shall be deemed to establish Purchaser's satisfaction with the status of title as of the Effective Date except for any liens or encumbrances which are to be satisfied in connection with the closing of this Contract. In the event Seller shall not have corrected such exceptions to Purchaser's reasonable satisfaction prior to the Closing Date, then Purchaser may (i) waive its objections and consummate the within transaction without a reduction in the Purchase price of the Property; or (ii) terminate this Contract, in which event this Contract shall be void, all Earnest Money shall be promptly refunded to Purchaser and neither party shall have any further obligations hereunder.

11. Title to the Property. At the closing, Seller shall deliver to Purchaser a limited warranty deed in form and content satisfactory to Purchaser and its counsel conveying to Purchaser a good, indefeasible, fee simple, marketable and insurable title to the Property, said title to be insurable both as to fee and marketability at regular rates by the Title Company, without exception, except as to those matters specifically approved pursuant to Section 10 above. Said policy of the Title Company shall provide full coverage against mechanics' or materialmen's liens, have full survey coverage and shall contain such other special endorsements as Purchaser's counsel may reasonably require. The Property shall be conveyed by Seller to Purchaser free and clear of all liens, encumbrances, claims, rights-of-way, easements, leases, restrictions and restrictive covenants except as provided herein.

12. Confidentiality. Purchaser and Seller acknowledge that negotiations leading to this Contract have been conducted in strictest confidence. Without the consent of the other party, neither party will reveal the details of this transaction, including but not limited to the names of participants and their respective affiliates and subsidiaries, to any other parties except as may be necessary to conduct the inspections and investigations authorized herein, prepare and

file applications for permits, licenses, and other documents relating to Purchaser's building and business plans, title searches and reviews, discussions with governmental authorities relating to the Property and to Purchaser's building and business plans, and other communications necessary to prepare for the closing. Neither party will generate or authorize a press release regarding the transactions described herein or otherwise publicize this transaction or the parties involved without the specific written consent of the other party. The obligations and duties of both Purchaser and Seller under this Section 12 shall survive the closing of the transactions contemplated herein.

13. Insurance Policies. Between the Effective Date and the closing, Seller shall keep any and all insurance policies affecting the Property in full force and effect.

14. Covenants, Representations, and Warranties of Seller. In addition to any other warranties or representations set forth herein, Seller hereby makes the following representations and warranties to Purchaser, each of which shall be deemed material:

(a) To the best of Seller's knowledge, Seller is the owner of good, marketable and insurable fee simple title to the Property.

(b) Seller has entered into no agreement, oral or written, affecting the Property, and, to the best of Seller's knowledge, neither Seller nor the Property is subject to any claim, demand, suit, unfiled lien, proceeding or litigation of any kind, which would in any way be binding upon Purchaser or limit Purchaser's full use and enjoyment of the Property. Without limiting the generality of the foregoing sentence, Seller represents to the best of its knowledge that the Property is not subject to any written or unwritten (i) leases or tenancies of any type; (ii) contracts allowing any party to harvest or take timber from the Property; (iii) unrecorded easements or rights of way; or (iv) any other form of license or agreement which would enable parties other than Seller to have access to the Property or other possessory rights as to any portion of the Property.

(c) At the time of closing, Seller will sign an Affidavit confirming the representations made above that remain accurate and setting forth those representations made above that no longer remain accurate.

(d) To Seller's knowledge, there are no pending, threatened or contemplated condemnation actions involving all or any portion of the Property and Seller has received no notice of any such action.

(e) From the Effective Date until the closing, Seller shall:

(i) perform all of its obligations under any contracts respecting the Property, the non-performance of which would adversely affect the interests and rights of Purchaser, and promptly notify Purchaser of any default thereunder; and

(ii) refrain from entering into any contract or commitment or from incurring any expenditure or obligation affecting the Property or the title thereto which would

extend beyond the closing or involve payments that would not be paid in full prior to the closing without the prior written consent of Purchaser.

(f) Seller will cooperate and assist Purchaser in obtaining permits that the Purchaser will need in order to operate its business on the Property. This cooperation will include signing applications and similar documents when the signature or consent of the owner of the Property is reasonably required in order to file or pursue any such permit.

15. Conditions Precedent to Purchaser's Obligations Regarding Closing. In addition to any other conditions set forth in this Contract, Purchaser's obligation to consummate the purchase of the Property is expressly contingent upon the following provisions any of which may be waived by written notice from Purchaser to Seller:

(a) Seller shall have complied with and otherwise performed each of the covenants and obligations of Seller set forth in this Contract.

(b) All representations and warranties of Seller as set forth in this Contract shall be in all material respects true and correct as of the date of closing.

(c) Neither Seller nor any agent of Seller shall have received any notices from any city, county or any governmental authority of any taking of the Property, or any portion thereof, by eminent domain or similar proceeding, and no such taking or other condemnation of the Property, or any portion thereof, shall be threatened or contemplated by any such governmental authority.

(d) Purchaser shall have consummated the acquisition of the Contiguous Property described in Section 6 of this Contract.

(e) Purchaser shall have received all permits necessary for its intended use and operation of the Property, in locations and extents determined by Purchaser in its sole discretion, including without limitation the permits referenced in Section 18 hereof.

In the event any conditions precedent set forth in this Contract are not satisfied on or before closing, and if Purchaser does not expressly waive any such unsatisfied conditions precedent, Purchaser may, in addition to any other rights or remedies set forth in this Contract, terminate this Contract by giving written notice thereof to Seller, then the Earnest Money shall be returned in full to Purchaser, and the parties hereto, unless otherwise provided herein, shall thereafter have no further rights, obligations or liabilities to each other hereunder.

16. Seller's Environmental Representations, Warranties, and Indemnity. Seller represents and warrants to Purchaser and its successors and assigns as follows:

(a) To the best of Seller's knowledge and except as may be set forth in any reports provided to or obtained by Purchaser, the Property and its existing and prior uses comply and have at all times complied with any applicable federal, state, county or local statutes, laws,

regulations, rules, ordinances, codes, licenses and permits of all governmental authorities relating to environmental matters.

(b) To the best of Seller's knowledge and except as may be set forth in any reports provided to or obtained by Purchaser, the Property and its existing and prior uses comply and have at all times complied with, and Seller is not in violation of, and has not violated, in connection with the ownership, use, maintenance or operation of the Property, any applicable federal, state, county or local statutes, laws, regulations, rules, ordinances, codes, licenses and permits of all governmental authorities relating to environmental matters, including by way of illustration and not by way of limitation the Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation Recovery Act; the Clean Air Act; the Clean Water Act; any applicable "Superfund" or "Superlien" law; or the South Carolina Pollution Control Act. To the best of Seller's knowledge and except as may be set forth in any reports provided to or obtained by Purchaser, the Property and its existing and prior uses comply, and have at all times complied, with any and all federal, state and local statutes, laws, ordinances, codes, rules, regulations, orders and decrees regulating, relating to or imposing liability or standards of conduct concerning petroleum, petroleum byproduct (including but not limited to crude oil, diesel oil, fuel oil, gasoline, lubrication oil, oil refuse, oil mixed with other waste, oil sludge, and all other liquid hydrocarbons, regardless of specific gravity), natural or synthetic gas, and all other toxic or dangerous waste, substance or material, pollutant, or contaminant, as may now or at any time hereafter be in effect.

(c) To the best of Seller's knowledge and except as may be set forth in any reports provided to or obtained by Purchaser, there are no monitoring wells on the Property for monitoring hazardous leachate or other hazardous substances or releases.

(d) To the best of Seller's knowledge and except as may be set forth in any reports provided to or obtained by Purchaser, there are no subsurface (underground) tanks situated on the Property.

17. Closing Documents.

(a) At closing, the Seller shall deliver to Purchaser the following:

(i) a duly executed limited warranty deed conveying good, fee simple and marketable title to the Property, subject to easements and other matters of record or visible on the Property;

(ii) a duly executed lien affidavit warranting and holding Purchaser and the Title Company harmless against unpaid laborers' and materialmen's liens for work performed by or on behalf of Seller;

(iii) if requested by Purchaser, a duly executed assignment of intangible property conveying all Intangible Property described in Section 1 of this Contract;

(iv) a certification in an acceptable form, that Seller is not a foreign person (i.e., a certificate of non-foreign status);

(v) such documents as Purchaser's counsel or title company may reasonably request to evidence that Seller is not subject to the non-resident seller withholding requirements of S.C. Code Section 12-8-580;

(vi) such documents as Purchaser's counsel or title company may reasonably request to evidence Seller's authority to execute and perform under this Contract and to execute and deliver all documents conveying the Property to Purchaser; and

(vii) such other documents and papers as may be reasonably requested by Purchaser or Purchaser's counsel.

(b) At closing, Purchaser shall

(i) deliver to Seller the balance of the Purchase Price due; and

(ii) execute and deliver such documents as may be reasonably requested by Seller or Seller's counsel.

18. Wetlands Mitigation. Seller acknowledges that portions of the Property are currently classified as wetlands. At any time prior to the Closing Date or the termination of this Contract, Purchaser and/or its designees will have the right to negotiate with the US Army Corps of Engineers ("USACE") and other governmental agencies in an attempt to remove such designations from all or some of these wetland areas or to obtain permits to fill and develop such areas through wetlands mitigation and other measures. Obtaining such permits may entail the elimination and/or relocation of portions of the current wetlands. Seller understands and agrees that the South Carolina Department of Commerce will play an active role in this initiative. Each party agrees to cooperate with the other party's efforts by providing necessary legal, engineering and other technical input and communications which are necessary to enhance the likelihood of USACE issuing the permit with terms and conditions that are acceptable to Purchaser in locations and extents determined by Purchaser, in its sole and absolute discretion. Seller will cooperate with Purchaser's efforts in this regard. The remaining net wetlands areas and their required buffers and setbacks, as shown on the final permits from USACE, will control the price calculations for purposes of Section 3 of this Contract.

19. Default and Remedies.

(a) In the event Seller defaults or fails to perform any of the conditions or obligations of Seller under this Contract, Purchaser shall have the right to enforce an action in equity for specific performance, or to terminate the agreement and receive an immediate refund of the Earnest Money, and/or to exercise such other rights and remedies as shall be available at law or in equity.

(b) In the event that all terms and conditions precedent to Purchaser's performance under this Contract have been satisfied or waived, and Purchaser refuses or is unable to consummate the purchase of the Property in accordance with the terms of this Contract, then Seller, as Seller's sole and exclusive remedy, shall be entitled to declare this Contract canceled and to retain the Earnest Money as full liquidated damages.

(c) The amounts hereinabove identified as liquidated damages have been agreed upon by Seller and Purchaser after due deliberation and discussion, and the same constitute good faith estimates of the damages of the party which would be entitled thereto pursuant to this Contract, the respective parties' actual damages being difficult, if not impossible, to ascertain.

20. Escrow Agent. The parties acknowledge and agree that Escrow Agent will be authorized to deliver or disburse Earnest Money to the Seller at closing, pursuant to and consistent with the provisions of this Contract. Any interest earned on the escrowed monies shall become part of the Earnest Money for all purposes and shall be disbursed to the party entitled to receive the Earnest Money. If closing does not occur, and Escrow Agent receives a notice requesting release of the Earnest Money from either party, Escrow Agent is hereby authorized to release the Earnest Money to the requesting party, provided that: (a) the notice sets forth the basis on which the Earnest Money are to be released; (b) the notice is simultaneously sent to the other party; and (c) the request is not refuted in writing which is received by Escrow Agent by the non-requesting party within ten (10) days after delivery of the notice. If the parties cannot agree as to the disposition of the Earnest Money, Escrow Agent is authorized to hold the Earnest Money until the parties reach agreement or until a court of competent jurisdiction establishes the rightful disposition. Escrow Agent shall also be authorized to file an action in interpleader to determine the proper party entitled to the Earnest Money. In consideration of Escrow Agent's services, Purchaser and Seller (to the extent allowed by applicable laws) agree to indemnify and hold Escrow Agent harmless from and against all liabilities, damages, costs, expenses (including all attorneys' fees and expenses incurred by Escrow Agent or any of Escrow Agent's employees or agents), causes of action, suits, demands, judgments, and claims of any nature whatsoever that might arise at any time out of Escrow Agent's holding, investing, reinvesting, payment, or other disposition of the Earnest Money, except those which result from Escrow Agent's willful misconduct or neglect. Escrow Agent may act in reliance on any writing or instrument or signature which it in good faith believes to be genuine and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized to do so. Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner or execution or validity of any instrument deposited in this escrow nor as to the identity, authority or right of any persons executing the same; and its duties hereunder shall be limited to safekeeping of the Earnest Money, and for the disposition of the same in accordance with this Agreement.

21. Effective Date. The term "Effective Date" as used in this Contract shall mean the first date upon which both Purchaser and Seller have received a fully executed final counterpart of this Contract.

22. Notices. All notices which are required hereunder to be in writing shall be effective with respect to the party who is to receive them as of the date on which such notice is (i) faxed to the office of the party or their counsel with evidence that the same was successfully delivered, with subsequent delivery through the mail in accordance with this section; (ii) mailed in care of such party or their counsel in any United States Post Office by certified or registered mail, postage prepaid, or (iii) hand delivered by messenger, overnight service or otherwise to the office of the party or their counsel. The addresses for such notices are as follows:

AS TO PURCHASER: ARUM COMPOSITES, LLC
c/o Corporation Service Company
2711 Centerville Road, Suite 300
PMB 811
Wilmington, Delaware 19808
FAX: 650-963-3309

With Copy To: WOMBLE, CARLYLE, SANDRIDGE & RICE, PLLC
550 South Main Street, Suite 400
Greenville, SC 29601
ATTN: Larry D. Estridge
FAX: 864-255-5481

AS TO SELLER: CITY OF COLUMBIA
1137 Main Street
Columbia, SC 29201

ATTN: City Manager
FAX: 803-733-8317

With Copy To: SOUTH CAROLINA DEPARTMENT OF COMMERCE
1201 Main Street, Suite 1600
Columbia, SC 29201

ATTN: Karen Manning
FAX: 803-737-0894

And Copy to: GOTTLIEB & SMITH, P.A.
1901 Main Street, Suite 600
Columbia, SC 29201
ATTN: Joel E. Gottlieb
FAX: 803-239-4801

AS TO ESCROW AGENT: WCSR TITLE, LLC
550 South Main Street, Suite 400
Greenville, SC 29601
ATTN: Gail Nicholson
FAX: 864-255-5497

Either party may, from time to time, by notice as herein provided, designate a different address to which notice to it shall be sent.

23. Miscellaneous.

(a) All the warranties, representations, indemnities, and covenants contained herein shall survive the closing and the delivery of the deed and other documents.

(b) This Contract shall be governed by and construed in accordance with the laws of the State of South Carolina.

(c) This Contract and the Exhibits hereto contain the entire understanding and agreement by and between the parties with respect to the subject matter hereof and all prior or contemporaneous oral or written agreements or instruments are merged herein and no amendment to this Contract shall be effective unless the same is in writing and signed by the parties hereto.

(d) This Contract shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, successors, executors, administrators and assigns.

(e) The captions and headings throughout this Contract are for convenience and reference only and the words contained therein shall in no way be held to define or add to the interpretation, construction or meaning of any provision of this Contract.

(f) **The term "knowledge" or "best of knowledge" when applicable to Seller herein shall mean and be limited to the actual knowledge of Charles P. Austin, City Manager for Columbia, SC, and Steven A. Gantt, Assistant City Manager, without independent investigation and/or inquiry. The knowledge of other agents or employees of the City of Columbia shall not be imputed to said City Manager under any circumstance.**

(g) No right of either party hereunder shall be assigned without the prior written consent of the other party, which consent will not be unreasonably withheld; provided either party shall have the right to assign any right or interest herein to another entity affiliated with such party, without the prior written consent of the other party. Any assignment approved under this section shall not relieve the assignor from its obligations under this Contract, unless the assignee specifically assumes all obligations of the assignor hereunder and the other party consents to release the assignor from such obligations in writing.

(h) Seller's obligation to consummate the sale described hereunder is conditioned upon approval of said sale by an ordinance to be approved by City Council of

Columbia, South Carolina, the second and final reading of which is scheduled to be on the agenda of said Council for December 13, 2006. In the event the Council does not approve the sale, the Earnest Money will be refunded in full to the Purchaser.

(SIGNATURE PAGE TO FOLLOW)

IN WITNESS WHEREOF, the parties hereto have caused this Contract for Purchase and Sale of Property to be executed and sealed as of the day and year first above written.

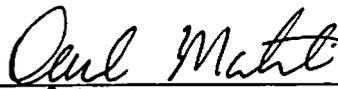
SELLER:

CITY OF COLUMBIA, SOUTH CAROLINA

By: 
Name: Robert D. Coble
Title: Mayor

PURCHASER:

ARUM COMPOSITES, LLC, a Delaware Limited Liability Company

By: 
Name: DANIEL MARTINELLI
Title: MANAGER

