

CANCELLED

Staunton River Regional Industrial Facility Authority

Pittsylvania County, Virginia
Town of Hurt, Virginia
Town of Altavista, Virginia
City of Danville, Virginia

AGENDA

May 17, 2019

12:00 P.M.

Hurt Town Hall
533 Pocket Road
Hurt, Virginia 24563

County of Pittsylvania Members

Elton W. Blackstock, Chairman
Ben L. Farmer
Dr. Charles H. Miller, Alternate

Town of Hurt Members

Gary Poindexter, Vice Chairman
Steve Watson
Collin Adams, Alternate

Town of Altavista Members

Mike Mattox
Wayne Mitchell
Reggie Bennett, Alternate

City of Danville Members

Fred O. Shanks, III
Sherman M. Saunders
J. Lee Vogler, Jr., Alternate

Staunton River Regional Industrial Facility Authority

1. MEETING CALLED TO ORDER

2. ROLL CALL

3. PUBLIC COMMENT PERIOD

Members of the public who desire to comment on a specific agenda item will be heard during this period. The Chairman/Vice Chairman of the Authority may restrict the number of speakers. Each speaker must identify themselves and state their address, and each speaker shall be limited to a total of three minutes for comments. *[Please note that the public comment period is not a question-and-answer session between the public and the Authority.]*

4. APPROVAL OF MINUTES OF THE APRIL 12, 2019 MEETING

5. OLD BUSINESS

A. Consideration of Resolution No. 2019-05-17-5A, approving that certain SVMP Development and Option Agreement by and between the Authority, as optionee, and Hurt Partners, LLC, a North Carolina limited liability company, for the Southern Virginia Multi-Modal Park in Hurt, Virginia – Michael C. Guanzon, Esq., Clement & Wheatley, Legal Counsel to Authority

6. NEW BUSINESS

A. Financial Status Report as of April 30, 2019 – Kim Van Der Hyde, Director of Finance, Pittsylvania County

B. Consideration of Resolution No. 2019-05-17-6B, to approve the Self Insurance Proposal received from VACORP presented at the meeting, and to purchase for the Authority the insurance at the coverages described therein, in connection with the Authority's operations and the due diligence and other activities of the Authority at the Southern Virginia Multi-Modal Park under the SVMP Development and Option Agreement – Ms. Van Der Hyde *[NO WRITTEN RESOLUTION]*

C. Consideration of Resolution No. 2019-05-17-6C, to amend the Fiscal Year 2020 Budget approved at the April 12, 2019, meeting of the Authority Board, to add a line item for the cost of the insurance being purchased for the Authority pursuant to Resolution No. 2019-05-17-6B, as set forth in the Amended Budget For Fiscal Year 2020 presented at the meeting – Ms. Van Der Hyde *[NO WRITTEN RESOLUTION]*

D. Next Meeting Date/Time/Place

7. CLOSED SESSION

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

A. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a

promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority's projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

- B. As permitted by Virginia Code §§ 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property commonly known as the Southern Virginia Multi-Modal Park, in Hurt, Virginia, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

RETURN TO OPEN SESSION

- C. Confirmation of Motion and Vote to Reconvene in Open Meeting
- D. Motion to Certify Closed Meeting

8. COMMUNICATIONS FROM:

- Authority Board Members
- Authority Staff

9. ADJOURN

STAUNTON RIVER REGIONAL INDUSTRIAL FACILITY AUTHORITY

Minutes

April 12, 2019

The regular meeting of the Staunton River Regional Industrial Facility Authority was convened at 12:06 p.m. on the above date at the County Administration Building, 1 Center Street, Chatham, VA 24531. Present were Pittsylvania County members Chairman Elton W. Blackstock and alternate Dr. Charles H. Miller; Ben Farmer was absent. Town of Hurt members present were Vice-Chairman Gary Poindexter and Steve Watson; Collin Adams was absent. Town of Altavista members present were Mike Mattox, Wayne Mitchell and alternate Reggie Bennett. City of Danville members present were alternate J. Lee Vogler and Sherman Saunders, who arrived at 12:36pm; Mr. Shanks was absent.

County/Town/City staff members attending were: County Administrator David Smitherman; City Manager Ken Larking; Town of Altavista Manager Waverly Coggsdale, III; County Director of Economic Development Matt Rowe; Director of Finance Kim Van Der Hyde; County Project Manager Susan McCulloch; Executive Assistant Hollye Keesee; and Clement Wheatley Attorneys Jennifer H. Burnett and Michael Guanzon.

ROLL CALL AND CONFIRMATION OF QUORUM

Matthew D. Rowe, Secretary, read the roll call and confirmed that a quorum was present.

CONFIRMATION OF CHANGE IN BOARD MEMBERS FOR TOWN OF ALTAVISTA

Attorney Jennifer H. Burnett stated that Beverly Dalton, Vice-Mayor of the Town of Altavista would be unable to serve as a member of the Authority. The governing body of the Town of Altavista approved that Wayne Mitchell would be moved from an Alternate to a regular Board Member and Council member Reggie Bennett will serve as Alternate.

APPOINTMENT OF HOLLYE M. KEESSEE, EXECUTIVE ASSISTANT, PITTSYLVANIA COUNTY ADMINISTRATION, AS SEVREATARY OF THE STAUNTON RIVER RIFA

Attorney Jennifer H. Burnett stated that Ms. Keesee was unable to attend the first meeting of the Staunton River RIFA so Matthew Rowe was appointed as Secretary. Ms. Keesee will be taking over that role and will be the permanent Secretary

Mr. Mattox **moved** to accept Matthew Rowe's resignation and appoint Hollye Keesee, Executive Assistant, Pittsylvania County Administration, as Secretary of the Authority; the Motion was **seconded** by Mr. Vogler and unanimously approved.

PUBLIC COMMENT PERIOD

No one desired to be heard.

APPROVAL OF MINUTES OF THE FEBRUARY 8, 2019 MEETING

Upon **Motion** by Dr. Miller and **second** by Mr. Poindexter, Minutes of the February 8, 2019 Meeting were approved as presented.

OLD BUSINESS

A. Report on Status of Development of Southern Virginia MultiModal Park – Matthew Rowe, Director, Economic Development, Pittsylvania County

Brownfield Grant was approved by the State in the amount of \$99,800. Agreement has been finalized and awaiting signature. Grant funds will come to the County to reimburse Hurt Partners for half of the cost to remove the smoke stacks. Staff is working with Mr. Guanzon on the development agreement for the option on the property. Staff to present the Agreement at the next meeting. Mr. Mattox had internal drive questions, who pays for excess of 500 linear feet of roadway.

B. Consideration of Resolution 2019-04-12-7B, approving the Authority Staff's recommendation that Clement & Wheatley continue to serve as General Legal Counsel to the Authority, and authorizing the Chairman of the Staunton River RIFA to enter into an amendment to the its engagement letter with Clement & Wheatley accordingly

Mr. Rowe stated that based on the services received and the quality of those services, Staff recommends to formalize an ongoing partnership with Clement & Wheatley to serve as full-time counsel for Staunton River Regional Industrial Authority.

Mr. Vogler **moved** to approve Resolution 2019-04-12-7B; the Motion was **seconded** by Mr. Poindexter and carried by the following vote:

VOTE: 7-0

AYE: Blackstock; Miller; Poindexter; Watson; Mattox; Mitchell; Vogler (7)

NAY: None (0)

NEW BUSINESS

A. Financial Status Report as of March 31, 2019 – Kim Van Der Hyde, Director of Finance, Pittsylvania County

Ms. Van Der Hyde went over the current status of FY2019 budget and also provided a FY2020 budget.

Mr. Mitchell **moved** to accept the Treasurer's Report; the Motion was **seconded** by Mr. Vogler and unanimously approved.

B. Consideration of Resolution 2019-04-12-8B, approving the Authority's Fiscal Year 2019 Budget – Ms. Van Der Hyde [NO WRITTEN RESOLUTION]

Ms. Van Der Hyde stated that all localities funds have been received. There is currently a Request for Proposal out for Audit Services. Legal fees are expected to be \$41,000 by June 30, 2019. The Land Option payment is currently in both budgets. Possible that the payment would not be paid until after July 1, 2019, (FY2020). Most of the contributions have been obligated. Mr. Mitchell asked how legal fees are estimated. Ms. Van Der Hyde explained that Pittsylvania County paid for the legal fees and an invoice was

sent to SR RIFA to pay for legal service to establish SR RIFA. Mr. Poindexter asked if the budget was same year after year, Mr. Guanzon explained numerous budget process. Mr. Guanzon explained if there were to be a need to purchase additional land and there was not enough money in the budget then each locality would have to put forth funds to purchase.

Mr. Mattox **moved** to approve Resolution 2019-04-12-8B; the Motion was **seconded** by Mr. Mitchell and unanimously approved.

C. Consideration of Resolution 2019-04-12-8C, approving the Authority's Fiscal Year 2020 Budget – Ms. Van Der Hyde *[NO WRITTEN RESOLUTION]*.

Ms. Van Der Hyde explained the Budget was close to FY19 and that timing of option is critical.

Mr. Poindexter **moved** to approve Resolution 2019-04-12-8B; the Motion was **seconded** by Mr. Watson and unanimously approved.

D. Next Meeting Date/Time/Place

The next meeting was scheduled to be in Hurt. A meeting would need to be in May for the Development Agreement. It was decided that the next meeting would be on May 17, 2019 at Noon in Hurt.

CLOSED SESSION

[During the closed session, all matters discussed shall involve receiving advice from legal counsel, and as such all communications during the closed session shall be considered attorney-client privileged.]

At 12:49 p.m. Mr. Mattox **moved** that the meeting of the Staunton River Industrial Facility Authority be recessed in a closed meeting for the following purposes:

A. As permitted by Virginia Code § 2.2-3711(A)(39) for discussion or consideration of records excluded under Virginia Code § 2.2-3705.6(3) (including without limitation (i) those certain confidential proprietary records voluntarily provided by private business pursuant to a promise of confidentiality from the Authority, and used by the Authority for business and trade development and (ii) those certain memoranda, working papers, or other information related to businesses that are considering locating or expanding in Virginia, prepared by the Authority, where competition or bargaining is involved and where disclosure of such information would adversely affect the financial interest of the Authority); such information being excluded from mandatory disclosure under Virginia Code § 2.2-3705.1(12) and Virginia Code § 2.2-3705.1(8) (appraisals and cost estimates of real property in one or more of the Authority's projects subject to a proposed purchase, sale, or lease, prior to the completion of such purchase, sale, or lease); and

B. As permitted by Virginia Code §§ 2.2-3711(A)(3) for discussion or consideration of the acquisition and/or the disposition of publicly held real property commonly known as the

Southern Virginia Multimodal Park, in Hurt, Virginia, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority.

The Motion was **seconded** by Dr. Miller and carried by the following vote:

VOTE: 8-0

AYE: Blackstock; Miller; Poindexter; Watson; Mattox; Mitchell; Saunders; Vogler (8)

NAY: None (0)

RETURN TO OPEN SESSION

C. Confirmation of Motion and Vote to Reconvene in Open Meeting

On **Motion** by Mr. Saunders and **seconded** by Mr. Mitchell and by unanimous vote at 1:38 p.m., the Authority returned to open meeting.

D. Motion to Certify Closed Meeting

Mr. Poindexter **moved** for adoption of the following resolution:

WHEREAS, the Authority convened in Closed Meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of the Freedom of Information Act; and

WHEREAS, Section 2.2-3711 of the Code of Virginia, 1950, as amended, requires a Certification by the Authority that such Closed Meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the Authority hereby certifies that, to the best of each Member's knowledge, (i) only public business matters lawfully exempted by the open meeting requirements of Virginia Law were discussed in the Closed Meeting to which this Certification Resolution applies, and (ii) only such public business matters as were identified in the motion convening the Closed Meeting were heard, discussed, or considered by the Authority.

The Motion was **seconded** by Mr. Mattox and carried by the following vote:

VOTE: 8-0

AYE: Blackstock; Miller; Poindexter; Watson; Mattox; Mitchell; Saunders; Vogler (8)

NAY: None (0)

COMMUNICATIONS

Mr. Vogler asked the Board to keep Mr. Shanks in thoughts, his mother passed away the day before.

Dr. Miller expressed excitement over trip to see his newest grandchild, number fourteen.

Meeting adjourned at 1:40 p.m.

Chairman

Secretary to the Authority

DRAFT

A RESOLUTION APPROVING THAT CERTAIN SVMP DEVELOPMENT AND OPTION AGREEMENT BY AND BETWEEN THE AUTHORITY AND HURT PARTNERS, LLC GRANTING THE AUTHORITY THE OPTION (BUT NOT OBLIGATION) TO PURCHASE APPROXIMATELY 603.98 ACRES LOCATED IN THE TOWN OF HURT, PITTSYLVANIA COUNTY, VIRGINIA, COMMONLY KNOWN AS THE SOUTHERN VIRGINIA MULTI-MODAL PARK (TAX GPINs: 2546-30-5577, 2545-69-2418, 2546-83-6444 and 2545-48-6913), LESS AND EXCEPT THE WATER PLANT AND WATER INFRASTRUCTURE LOCATED ON SUCH PARCELS, AT A PURCHASE PRICE OF \$15,000.00 PER ACRE, ADJUSTED ANNUALLY BASED ON THE CONSUMER PRICE INDEX NOT TO EXCEED 5% PER YEAR, WITH AN INITIAL OPTION FEE OF \$50,000.00, AND WITH ADDITIONAL ANNUAL OPTION FEE PAYMENTS OF \$50,000.00 EACH FOR AN INITIAL OPTION TERM OF 15 YEARS, AND ANNUAL OPTION FEE PAYMENTS OF \$100,000.00 EACH DURING ANY EXTENDED OPTION TERM OF 15 YEARS

WHEREAS, the Staunton River Regional Industrial Facility Authority (the “**Authority**”) is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, as amended; and

WHEREAS, the Authority desires to acquire from Hurt Partners, LLC, a North Carolina limited liability company, d/b/a Hurt Partners – North Carolina, LLC, an option (but not obligation) to purchase approximately 603.98 acres, located in the Town of Hurt, Pittsylvania County, Virginia, commonly known as the Southern Virginia Multi-Modal Park (Tax GPINs: 2546-30-5577, 2545-69-2418, 2546-83-6444 and 2545-48-6913), less and except the water plant and water infrastructure located on such parcels (the “**Property**”), at a purchase price of Fifteen Thousand and 00/100 Dollars (\$15,000.00) per acre, adjusted annually based on the Consumer Price Index not to exceed five percent (5%) per year (the “**Purchase Price**”), with an initial option fee of Fifty Thousand and 00/100 Dollars (\$50,000.00), and with additional annual option fee payments of Fifty Thousand and 00/100 Dollars (\$50,000.00) each for an initial option term of fifteen (15) years, and annual option fee payments of One Hundred Thousand and 00/100 Dollars (\$100,000.00) each during any extended option term of fifteen (15) years, as more particularly set forth in that certain SVMP Development and Option Agreement, attached hereto as **Exhibit A** and incorporated herein by this reference (the “**Option Contract**”); and

WHEREAS, under the Option Contract, no option fees paid thereunder by the Authority will be refundable and the Option Contract automatically terminates if the Authority fails to pay any option fee when due thereunder, but if the Authority elects to exercise its option to purchase the Property or any portion thereof (the “**Purchased Property**”) during the option term, the amount of the option fee paid during the Authority fiscal year in which such option exercise notice is given shall be credited against the purchase price for the Purchased Property; and

WHEREAS, in furtherance of the Authority’s specific purpose set forth in its Bylaws to enhance the economic base of the Authority’s member localities by developing the Property, the Board of Directors of the Authority has determined that it is in the best interests of the Authority and the citizens of its member localities for the Authority to approve and to enter into the Option

Resolution No. 2019-05-17-5A

Contract, and to pay the initial option fee due thereunder of Fifty Thousand and 00/100 Dollars (\$50,000.00).

NOW, THEREFORE, BE IT RESOLVED BY THE STAUNTON RIVER REGIONAL INDUSTRIAL FACILITY AUTHORITY, THAT:

1. The Authority hereby approves the Option Contract as set forth in **Exhibit A** and as reviewed at this meeting, together with such amendments, deletions or additions thereto as may be approved by the Chairman or the Vice Chairman of the Authority, and hereby authorizes the Chairman and the Vice Chairman, either of whom may act independently of the other, to execute and deliver the Option Contract on behalf of the Authority, such execution of the Option Contract by the Chairman (or Vice Chairman as the case may be) to conclusively establish his approval of any amendments, deletions or additions thereto.

2. The Authority hereby authorizes and directs staff and other agents and representatives working on behalf of the Authority to take such actions and to do all such things as are contemplated by the Option Contract, including the payment of the \$50,000.00 initial option fee thereunder, or as they in their discretion deem necessary or appropriate in order to carry out the intent and purposes of these resolutions.

3. The Authority hereby approves, ratifies and confirms any and all actions previously taken by the Authority, its agents and representatives, in respect to the Option Contract and the matters contemplated therein or related thereto, including without limitation any confidentiality agreement, letter of intent or other document related to the Option Contract dated on before the date this Resolution is adopted.

4. This Resolution shall take effect immediately upon its adoption.

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CERTIFICATE

I, the undersigned Secretary of the Staunton River Regional Industrial Facility Authority, hereby certify that the foregoing is a true, correct and complete copy of a Resolution duly adopted by a majority of the directors of the Staunton River Regional Industrial Facility Authority at a regular meeting duly called and held on May 17, 2019, and that such Resolution has not been repealed, revoked, rescinded or amended, but is in full force and effect on the date hereof.

WITNESS my hand as Secretary of the Staunton River Regional Industrial Facility Authority as of the 17th day of May 2019.

(SEAL)

HOLLYE M. KEESEE, Secretary
Staunton River Regional Industrial Facility
Authority

Resolution No. 2019-05-17-5A

Exhibit A
(Option Contract)

See attached.

Tax GPINs: 2546-30-5577, 2545-69-2418,
2546-83-6444 and 2545-48-6913

SVMP DEVELOPMENT AND OPTION AGREEMENT

THIS SVMP DEVELOPMENT AND OPTION AGREEMENT (this "**Agreement**"), made and entered into as of the ____ day of May 2019 (the "**Effective Date**"), by and between **STAUNTON RIVER REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia ("**SR RIFA**"); and **HURT PARTNERS, LLC**, a North Carolina limited liability company, d/b/a Hurt Partners - North Carolina, LLC ("**Hurt Partners**");

W I T N E S S E T H :

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

Section 1. - Recitals. The parties recite the following facts:

a. Hurt Partners is the owner of that certain real property containing an aggregate of approximately 603.98 acres, located in the Town of Hurt, Pittsylvania County, Virginia, commonly known the Southern Virginia Multi-Modal Park (Tax GPINs: 2546-30-5577, 2545-69-2418, 2546-83-6444 and 2545-48-6913) less and except the water plant and water infrastructure located on such parcels, as more particularly described in **Schedule 1(a)**, attached hereto and incorporated herein by this reference (collectively, the "**Property**" or the "**SVMP**").

b. SR RIFA is a political subdivision of the Commonwealth of Virginia duly created pursuant to the Virginia Regional Industrial Facilities Act, Virginia Code §§ 15.2-6400 *et seq.*, as amended. SR RIFA has determined that the economic growth and development of its member localities and the comfort, convenience and welfare of its respective citizens require the development of facilities on the Property.

c. The parties desire for Hurt Partners to grant to SR RIFA the exclusive right and option to purchase the Property or portions thereof, and to investigate the feasibility of developing the Property, under the terms and conditions contained in this Agreement.

Section 2. - Grant of Option. Hurt Partners hereby grants to SR RIFA an exclusive option to purchase all or as much of the Property as SR RIFA desires to purchase at such time or times as designated by SR RIFA during the Option Term (as hereafter defined), upon the terms and conditions of this Agreement (the "**Option**").

Section 3. - The Purchase Price. If SR RIFA elects to exercise the Option during the first year of the Initial Option Term (as hereafter defined), the purchase price for each purchase

shall be at a rate of Fifteen Thousand and 00/100 Dollars (\$15,000.00) per acre (the "**Purchase Price**"). The Purchase Price shall increase in amount on the first day of year of the Initial Option Term (each an "Adjustment Date") in an amount equaling the percentage increase in the CPI (defined below) as set forth below, not to exceed five percent (5%). As used herein, "CPI" means the Consumer Price Index for All Urban Consumers, U.S. City Average (1982-84=100), All Items, published by the Bureau of Labor Statistics, U.S. Department of Labor. If the Bureau of Labor Statistics changes the base period (now 1982-84=100), the new index numbers shall be substituted for the old index numbers in making the calculations provided for in this Section. It is agreed that if the CPI is discontinued or revised, such other index with which it is replaced shall be used to obtain substantially the same result as would be obtained if there had been no such discontinuation or revision. If there shall be no such other index, the parties shall accept comparable statistics on the purchasing power of the consumer dollar as published at the time of such discontinuation by a responsible financial periodical of nationally recognized authority.

Section 4. - The Option Term; the Option Fee.

a. The Option Term. The Option shall be for a period beginning on the Effective Date and expiring at 11:59 p.m. on the date that is fifteen (15) years after the Effective Date, unless this Agreement is sooner terminated as provided for herein (the "**Initial Option Term**"). SR RIFA shall have the right to extend the Initial Option Term for a period of fifteen (15) years (the "**Extended Option Term**") by providing written notice of same to Hurt Partners prior to the end of the Initial Option Term. The Initial Option Term and the Extended Option Term (if any) are collectively referred to herein as the "**Option Term**". The Option may be exercised by SR RIFA at any time or times during the Option Term, by giving written notice of same to Hurt Partners (the "**Option Exercise Notice**"), specifying all or the portion of the Property being purchased at that time so specified (the "**Purchased Property**"), and specifying any exceptions to title to which SR RIFA then consents (the "**Accepted Exceptions**"). SR RIFA shall have the right to terminate this Agreement at any time during the Option Term for any or no reason, by providing written notice thereof to Hurt Partners. In such event, neither party shall have any obligations to the other thereafter except as specifically provided in this Agreement. The Option and this Agreement shall automatically terminate at the end of the Option Term in the event that an Option Exercise Notice has not been given by SR RIFA to Hurt Partners on or before the last day of the Option Term, whereupon neither party shall have any obligations to the other party thereafter except as otherwise specifically provided in this Agreement.

b. The Option Fee.

i. During the Initial Option Term. Subject to the availability of appropriated funds, SR RIFA shall pay to Hurt Partners a non-refundable (except as otherwise set forth herein), option fee equal to Fifty Thousand and 00/100 Dollars (\$50,000.00) per year during each year of the Initial Option Term (the "**Option Fee**"). The Option Fee shall be due and payable to Hurt Partners on or before the date that is thirty (30) days after the beginning of the fiscal year of SR RIFA.

ii. During the Extended Option Term. During the Extended Option Term (if any), the Option Fee for each year remaining in the Extended Option Term shall be increased to One Hundred Thousand and 00/100 Dollars (\$100,000.00) per year.

iii. Application of the Option Fee Payments if the Option is Exercised. If SR RIFA elects to exercise the Option, the amount of the Option Fee paid SR RIFA or on its behalf during the fiscal year of SR RIFA that SR RIFA gives the Option Exercise Notice shall be credited at Closing (as hereafter defined) against the Purchase Price for the Purchased Property to the extent any such credit then remains; notwithstanding the foregoing, nothing herein shall prohibit SR RIFA from recovering the return of all or any portion of the Option Fees paid to Hurt Partners pursuant to a legal action in the event of a default by Hurt Partners under this Agreement. The parties acknowledge that should SR RIFA not provide an Option Exercise Notice during any fiscal year of SR RIFA then SR RIFA shall not be entitled to any credit on any purchase for the amount of the Option Fee paid in that fiscal year.

Section 5. - Settlement; Possession; Deed; Closing Costs.

a. The Closing. If SR RIFA elects, from time to time, to exercise the Option as provided for herein, the closing of the purchase of the Purchased Property (the "**Closing**") shall be conducted at the office of SR RIFA's legal counsel in Danville, Virginia, or at such other place in Pittsylvania County, Virginia, as the parties may mutually agree. Closing for the Purchased Property must occur within sixty (60) days of the date of the Option Exercise Notice, **TIME BEING OF THE ESSENCE.** Possession of the Purchased Property shall be given to SR RIFA at the Closing, unless otherwise agreed to in writing by the parties. At the Closing, SR RIFA shall deliver to Hurt Partners the Purchase Price in immediately available funds. At the Closing, Hurt Partners shall deliver to SR RIFA a fully executed (a) Deed (as hereafter defined), (b) affidavit, in form and substance satisfactory to SR RIFA, certifying that the Purchased Property being purchased is free from claims for mechanics' and materialmen's liens and the rights or claims of any parties in possession, (c) certificate, in form and substance satisfactory to SR RIFA, as to income tax status and matters related to Section 1445 of the Internal Revenue Code and Virginia Department of Taxation Form R-5 or R-5E, as applicable, (d) certificate, in form and substance satisfactory to SR RIFA, as to the reporting of certain real estate transactions required by Section 6045(e) of the Internal Revenue Code, (e) certificate described in Section 9(e) below with respect to the HP Representations (as hereafter defined), and (f) such other documents, certificates, resolutions, organizational documents, instruments and affidavits as may be reasonably requested by SR RIFA or its title insurance company or required to consummate the transactions contemplated by this Agreement. Hurt Partners shall pay the costs of preparing the Deed and any other documents to be provided by Hurt Partners and the grantor's tax imposed by Virginia Code § 58.1-802 (unless an exemption applies). SR RIFA shall pay all costs and expenses incurred in connection with its examination of title to the Purchased Property and all premiums charged by SR RIFA's title insurance company and the tax imposed on the Deed by Virginia Code § 58.1-801 (if the exemption under Virginia Code § 58.1-811A(3) is no longer applicable). Real estate taxes and other apportionable items (if any) shall be prorated between Hurt Partners and SR RIFA as of the Closing. Any roll back taxes, special

assessments and other similar charges, whether past due or payable in the future, shall be paid in full by Hurt Partners on or prior to the Closing. If the title company requires the execution by either or both parties of escrow instructions in connection with the Closing, the parties shall execute those instructions necessary or appropriate to effect the settlement contemplated by this Agreement.

b. Deed. At the Closing, Hurt Partners shall deliver a special warranty deed (the "**Deed**"), conveying to SR RIFA fee simple and marketable title to the Purchased Property as described in Section 9(a)(i) below, subject only to the Permitted Exceptions (as hereafter defined), with a legal description that shall be either: (i) a legal description by reference to a map prepared as part of the Development Plan or (ii) in the event that SR RIFA requires a lot that is materially different from the Development Plan, a legal description by reference to a survey paid for by SR RIFA. In the event that SR RIFA requires a lot that is materially different from the Development Plan, Hurt Partners shall have the right to approve such lot before being bound to sell such lot, but such approval shall not be unreasonably withheld, conditioned or delayed.

c. Monetary Liens. Hurt Partners shall pay or otherwise discharge as a monetary lien against the Purchased Property all mortgages, deeds of trust, assignments of rents and leases, and other monetary liens against the Purchased Property, which can be satisfied by payment of a fixed amount prior to or at Closing. In the event of a payment at Closing, payment may be evidenced from the sales proceeds shown on the settlement statement signed by SR RIFA and Hurt Partners at or before Closing.

d. Surveys. The costs of any and all surveys needed and/or contemplated by the Development Plan (as defined in Section 10 below) shall be at the sole expense of Hurt Partners. However, in the event that SR RIFA requires a lot that is materially different from the Development Plan and intends to give an Option Exercise Notice for such lot, SR RIFA shall be responsible for the cost of surveying such lot for subdivision and/or consolidation. All other costs related to or arising out of such subdivision and/or consolidation shall be at Hurt Partner's sole expense.

Section 6. - Risk of Loss.

a. Generally. All risk of loss or damage to the Property (or the Purchased Property, as the case may be) by fire, windstorm, earthquake, flood, casualty, eminent domain (or deed in lieu thereof), or any other cause is assumed by Hurt Partners until the Closing. The risk of loss retained by Hurt Partners shall not include any loss as to SR RIFA's personal property which SR RIFA may place on the Property at its own risk during the Option Term as part of its Feasibility Studies (as hereafter defined), which risk of loss shall lie with SR RIFA.

b. Written Notice to SR RIFA. In the event of any damage to the Property or any taking of the Property (by any governmental authority except by the Town of Hurt, Virginia, or Pittsylvania County, Virginia) during the Option Term, Hurt Partners shall provide SR RIFA with written notice of such damage or taking of the Property (or the Purchased Property, as the

case may be) with sufficient details to inform SR RIFA of the extent of the taking or damage (the "**Loss Notice**"). Within thirty (30) days of receipt of the Loss Notice, SR RIFA shall elect in writing one of the following:

i. The Option Exercise Notice had been given. If at the time of the Loss Notice from Hurt Partners, SR RIFA had duly exercised the Option for the Purchased Property by giving the Option Exercise Notice and the Loss Notice covered all or a portion of the Property described in the Option Exercise Notice, SR RIFA shall have the right to elect one of the following:

(1) SR RIFA shall have the right to rescind the Option Exercise Notice, in which case, none of the parties shall have any claims against or liability to any other party with respect to that portion of the Property described in the Option Exercise Notice; or

(2) SR RIFA shall have the right to affirm the Option Exercise Notice and proceed to Closing, in which event at Closing, Hurt Partners shall assign to SR RIFA all of Hurt Partners's rights to all proceeds from eminent domain (or deed in lieu thereof), less any reasonable costs and expenses actually incurred by Hurt Partners in preserving or enforcing the rights to such proceeds of insurance or eminent domain prior to Closing; or

(3) SR RIFA shall have the right to affirm the Option Exercise Notice and to retain its right to purchase the Purchased Property not subject to eminent domain (or deed in lieu thereof) or other damage as indicated herein, in which case Hurt Partners shall retain all rights under policies of insurance (if any) applicable to the balance of the property described in the Option Exercise Notice, or all rights to all proceeds from eminent domain (or deed in lieu thereof). In this case, the Purchase Price shall be reduced by the amount of the award for the damage or taking (or deed in lieu thereof), provided that Hurt Partners shall be given a credit for any reasonable costs and expenses actually incurred by Hurt Partners in preserving or enforcing the rights to such proceeds of insurance or eminent domain. In any event, should the Purchased Property be subject to an eminent domain action (or a deed conveyed in lieu thereof), the description of the Purchased Property for purposes of the Option shall be deemed to be the Purchased Property as described therein less and except (or subject to, as the case may be) the portion of the Property taken or otherwise encumbered by the eminent domain action.

ii. The Option Exercise Notice had not then been given. If at the time of the Loss Notice from Hurt Partners, SR RIFA had not then exercised the Option, SR RIFA shall have the right to terminate this Agreement, and none of the parties shall have any claims against or liability to any other party under this Agreement, except for any claims that had accrued prior to such termination or except as otherwise provided herein.

The parties acknowledge and agree that the rights of SR RIFA under this Section 6(b) shall not apply in the event that the taking is by the Town of Hurt, Virginia, or Pittsylvania County, Virginia.

Section 7. - Feasibility Studies; Cooperation by Hurt Partners.

a. Hurt Partners shall deliver to SR RIFA copies of all studies, tests, evaluations, inspections and investigations of the Property that are in the Hurt Partners's possession or control, including without limitation, soils testing, geotechnical borings and compaction surveys, wetlands delineations, historic resource and environmental site assessments (Phase I and, if available, Phase II) within sixty (60) days after the Effective Date ("**HP's Investigations Documents**"). Hurt Partners shall deliver to SR RIFA copies of all studies, surveys and reports related to the Property, provided that Hurt Partners shall make no representations or warranties regarding the accuracy of such reports or the extent to which SR RIFA can rely on such reports, either expressly, or implied from delivery of same. SR RIFA shall have the right, at SR RIFA's sole cost and expense, to conduct during the Option Term any and all studies, tests, evaluations, inspections and investigations it may desire of the Property, including without limitation, wetlands delineations and environmental site assessments (Phase I and, if necessary, Phase II), soils testing, geotechnical borings and compaction surveys (collectively, the "**Feasibility Studies**"). For purposes of conducting the Feasibility Studies, Hurt Partners hereby grants to SR RIFA, its employees, agents, consultants, contractors and other representatives (collectively, the "**Licensed Parties**") a non-exclusive license to enter onto the Property at reasonable times and upon giving at least forty-eight (48) hour notice, which may be made by electronic mail or by telephone solely for the purpose of conducting Feasibility Studies. If the Licensed Parties conduct any activities on the Property that are not expressly permitted by this Section 7(a), that shall be a material breach of this Agreement, and Hurt Partners may immediately terminate this Agreement by written notice thereof to SR RIFA. The license created under this Section 7(a) shall expire automatically on termination of this Agreement. At least annually and at such other times that Hurt Partners shall request, but not more frequently than quarterly, SR RIFA shall provide Hurt Partners with sufficient evidence to show that the Licensed Parties, who are to enter upon the Property, are adequately covered by policies of insurance issued by a carrier reasonably acceptable to Hurt Partners insuring SR RIFA and Hurt Partners against any and all liability arising out of the Licensed Parties entry upon and inspection of the Property. Except to the extent prohibited by applicable law, SR RIFA shall be responsible for all claims, liabilities, costs and expenses, including reasonable attorneys' fees, arising out of SR RIFA's or its Licensed Parties' conduct of the Feasibility Studies on, in or about the Property. As such, to the extent permitted by law, SR RIFA hereby agrees to hold harmless, protect, defend and indemnify, and hereby releases, Hurt Partners and its parents and its and their respective members, managers, trustees, officers, directors, employees, servicers, contractors, agents, subsidiaries and affiliates, and its and their respective successors and assigns (collectively, the "Indemnitees") and the Property from and against any and all claims, demands, causes of action, losses, liabilities, liens, encumbrances, costs or expenses (including without limitation reasonable attorneys' fees and litigation costs) arising out of, related to, connected with or incidental to: (a) any of the Licensed Parties inspections, including, without limitation, any work performed, materials furnished or obligations incurred by or on behalf of the Licensed Parties with respect to any Feasibility Studies, (b) any injuries to persons (including death) or property (real or personal), or (c) any mechanics', workers' or other liens on the Property, by reason of or relating to the work or

activities conducted on the Property by the Licensed Parties. The obligation to indemnify and hold harmless shall exclude any and all claims that arise from the gross negligence or willful misconduct of Hurt Partners or any parties claiming by, through or under Hurt Partners. SR RIFA shall promptly pay all contractors providing services to SR RIFA on the Property in order to prevent the filing of mechanics liens thereon. In the event of the filing of any such lien, SR RIFA shall have such lien removed or bonded off within thirty (30) days of receipt of notice of the filing of same, provided that nothing herein shall prohibit SR RIFA from challenging the imposition or validity of such liens; provided, that (i) SR RIFA shall diligently contest such lien in appropriate proceedings, and (ii) any such lien shall be released and removed prior to the foreclosure thereof. SR RIFA shall, at its sole cost and expense, clean up and repair the Property, in whatever manner necessary, after the Licensed Parties entry thereon so that the Property shall be returned to substantially the same condition that existed prior to Licensed Parties entry thereon.

SR RIFA agrees that any information obtained by SR RIFA or the Licensed Parties in the conduct of its Feasibility Studies or other due diligence relating to the Property, from Hurt or otherwise, shall be treated as confidential pursuant to the terms of this Agreement, and shall be used only to evaluate the acquisition of the Property from Hurt. SR RIFA agrees not to divulge, and to use best efforts (including, without limitation, informing the Licensed Parties of the confidential nature of such information) to cause the Licensed Parties not to divulge, the contents of such information. SR RIFA acknowledges that the transaction described herein, including the existence of the discussions relating to the proposed transaction, and all information delivered to or made available to SR RIFA and the Licensed Parties, is of a confidential nature and shall not be disclosed except to the Licensed Parties, and SR RIFA's attorneys and/or accountants, in accordance with the terms of this Agreement or as required by law. No party shall make any public disclosure of the specific terms of this Agreement, except as required by law. In connection with the negotiation of this Agreement and the preparation for the consummation of the transactions contemplated hereby, SR RIFA acknowledges that it will have access to confidential information relating to the other party. SR RIFA shall treat such information as confidential, preserve the confidentiality thereof, and not duplicate or use such information, except to the Licensed Parties in connection with the transactions contemplated hereby, subject to the other terms of this Agreement. In the event of the termination of this Agreement for any reason whatsoever, SR RIFA shall (a) deliver to Hurt, all third party documents, work papers, engineering and environmental studies and reports, and all other materials created or ordered by SR RIFA in connection with the transactions contemplated hereby that do not constitute the SR RIFA's work product and (b) return to Hurt, all documents, work papers, engineering and environmental studies and report, and all other materials (including all copies thereof) obtained from Hurt in connection with the transactions contemplated hereby; and SR RIFA shall use its best efforts, including instructing its employees and others who have had access to such information, to maintain the confidentiality nature all such information and to prohibit the use or distribution of any such information following said termination of this Agreement.

Moreover, for purposes hereof, Licensed Parties shall include SR RIFA'S prospective

business recruits, lenders or grant sources who have agreed in writing to keep such information confidential at least to the same level and extent as required of SR RIFA under this Agreement. Similarly, Hurt Partners shall keep confidential the identity of such prospective business recruits, lenders or grant sources unless and until a public announcement is made by SR RIFA regarding the location or establishment of the business recruit's business onto the Property (or any part thereof); or unless SR RIFA otherwise consents; or unless otherwise required by law.

b. Subject to the terms herein, during the Option Term, Hurt Partners agrees to give reasonable cooperation to SR RIFA in obtaining all necessary zoning and site development approvals or permits from any applicable federal, state or local authority with jurisdiction over the Property or its use. SR RIFA shall pay all costs associated with seeking and obtaining any such development approvals or permits.

Section 8. - Title. Hurt Partners agrees to deliver to SR RIFA, within thirty (30) days after the Effective Date, any surveys, title policies, opinions or other title information in its possession regarding the Property (the "HP Title Documents"). Within sixty (60) days after the Effective Date, SR RIFA, at its expense, shall have ordered and received from a title insurance company licensed to provide such services in the Commonwealth of Virginia, a commitment for title insurance on the Property.

Section 9. - Representations by Hurt Partners.

a. Hurt Partners represents and warrants to SR RIFA the following ("**HP Representations**"):

i. Title as of Closing. As of the Closing, Hurt Partners has fee simple and marketable title to the Purchased Property. For the purposes hereof, "**fee simple and marketable title**" shall be deemed to mean title to the Purchased Property that permits SR RIFA to obtain title insurance for the Purchased Property at generally acceptable market prices, subject only to (i) the Accepted Exceptions or otherwise waived in writing by SR RIFA; (ii) any mortgage, deed of trust, or other lien securing a monetary obligation that shall be satisfied at Closing as set forth in Section 5(c) above; (iii) all laws, statutes, ordinances, permits, and other requirements or orders of any governmental agency, (iv) any liens or claims arising out of the activities of SR RIFA or other Licensed Parties on the Property; and (v) taxes not yet due and payable.

ii. No Foreign Person. Hurt Partners is not a "**foreign person**" within the meaning of Section 1445 of the Internal Revenue Code of 1954, as amended. Neither Hurt Partners nor any of its managers, members or other major equity owners is acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "**Specially Designated National and Blocked Person**" or any other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and neither Hurt Partners nor any of its managers, members or other major equity

owners is engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation.

iii. No Broker. No real estate agent, broker, finder or other person has acted for or has an agreement with Hurt Partners with respect to the sale of the Property.

iv. Environmental. To Hurt Partners's knowledge, no Hazardous Substances (as hereafter defined) have been manufactured, treated, stored in violation of applicable law, released or disposed of on, in or under the Property or any part thereof and there are no underground storage tanks on the Property, except as set forth in Schedule 9(a)(iv), attached hereto and incorporated herein by this reference. For the purposes of this provision "**Hazardous Substances**" means and includes: (i) any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purposes of) the Comprehensive Environmental Response, Compensation and Liability Act, as amended, and other federal, state or local statute, law, ordinance, code, rule or regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, (ii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any federal, state or local governmental authority pursuant to any environmental, health and safety or similar law, code, ordinance, rule or regulation, order or decree in effect on the Effective Date or on each date of Closing and which may or could pose a hazard to the health and safety of persons on or about the Property or any adjoining property or cause damage to the environment, (iii) asbestos and PCBs, and (iv) petroleum in any form.

v. Possession. Except as set forth in Schedule 9(a)(v) attached hereto, there are no leases or other agreements granting any parties the right to use or occupy the Property or any part thereof, and no person or entity has any unrecorded right, title or interest in the Property, whether by right of adverse possession, prescriptive easement, or otherwise.

vi. No Litigation. There are no legal actions, suits, actions, or other legal or administrative proceedings pending or, to Hurt Partners's knowledge, threatened against Hurt Partners or the Property, and Hurt Partners is not aware of any facts which might result in any such action, suit or other proceedings, and there is no action, suit, proceeding, or claim affecting Hurt Partners or the Property relating to or arising out of the ownership, operation, use or occupancy of the Property pending in any court or by or before any federal, state, governmental instrumentality, nor, to the best knowledge of Hurt Partners, has any such action, suit, proceeding, or claim been threatened or asserted.

vii. Due Authorization. The execution and performance of this Agreement have been duly approved by all necessary company action and are not in violation of any other agreement Hurt Partners has with any third parties; and that this Agreement is a valid binding, legal obligation of Hurt Partners, enforceable in accordance with its terms.

b. Subsequent Developments. During the Option Term, Hurt Partners (1) shall keep SR RIFA fully informed of all subsequent developments of which Hurt Partners has knowledge which would cause any of Hurt Partners's representations or warranties contained in this Agreement to be no longer accurate in any material respect, and (ii) shall forward to SR RIFA copies of any documents that would reasonably qualify as a HP's Title Document or a HP's Investigations Document with respect to any part of the Property which had not been sold, which documents shall be delivered within ten (10) days after such document or documents coming into the possession or control of Hurt Partners. In the event that SR RIFA learns that any of the HP Representations is not true and correct in any material respect, then SR RIFA, at its option, may either: (i) terminate this Agreement whereupon the parties hereto shall have no further rights or obligations to one another hereunder except as specifically set forth herein, or (ii) waive in writing the breach of such HP Representation and proceed to Closing hereunder.

c. Indemnification. Hurt Partners agrees to indemnify, defend and hold harmless SR RIFA from and against any and all actual damages, liabilities, penalties, causes of action, proceedings, claims, costs and expenses, including, but not limited to, fees of attorneys, experts and consultants, arising in any way out of or in connection with or as a result of any of the HP Representations not being true and accurate as of the Effective Date and at each date of the Closing.

d. Survival. With respect to the Purchased Property, the representations, warranties and covenants contained in this Section shall survive the delivery of the Deed and the Closing for a period of twenty-four (24) months.

e. Closing Certificate. Hurt Partners shall represent and warrant by certificate, in form acceptable to SR RIFA delivered at the Closing, that the HP Representations remain true and valid as of the date of the Closing.

f. Knowledge. Reference to the "knowledge" of Hurt Partners shall refer to only the actual knowledge, without investigation or inquiry, on the Effective Date and the date of each Closing of any one or more of William Dellinger, Brian Hall or Jess Washburn, and shall not be construed, by imputation or otherwise, to refer to the knowledge of any broker, or to any other officer, agent, or any affiliate of Hurt Partners, or to impose on William Dellinger, Brian Hall or Jess Washburn any duty to investigate the matter to which such actual knowledge, or the absence thereof pertains. In no event shall SR RIFA have any personal claim against the above named individual as a result of the reference thereto in this Paragraph, and SR RIFA waives and releases all such claims which SR RIFA now has or may later acquire against any of them with respect to the transactions contemplated in this Agreement.

Section 10. - Development Plan and Semiannual Meetings.

a. Development Plan. Hurt Partners, at its expense and in consultation with SR RIFA, shall prepare a development plan and master survey for the SVMP, showing the proposed lots to be created, graded or subdivided, developable acreage, utility lines, common areas (if

any), and proposed roads of ingress and egress, including without limitation the identification of an existing easement for Hurt's use to Key Park, and timber easements (the "**Development Plan**"). The Development Plan shall also include protective and restrictive covenants to run with the land, as may be agreed upon in writing by Hurt Partners and SR RIFA. The parties shall negotiate in good faith with respect to the Development Plan and the protective and restrictive covenants. Should the parties be unable to come to an agreement with respect to the form of the Development Plan or the form of the protective and restrictive covenants, the Development Plan and protective and restrictive covenants shall be in the form approved by Hurt Partners. As the Option is exercised from time to time and the Purchased Property is occupied by SR RIFA's business recruits, the Development Plan shall be revised as may be agreed to in writing by the parties.

b. Semiannual Meetings. To discuss the Development Plan and all other matters related to the SVMP, Hurt Partners personnel and SR RIFA personnel shall meet at least semiannually on such dates in the first half and second half of the calendar year in Hurt, Virginia, at times or other locations as the parties may then agree.

Section 11. - Site Development. Hurt Partners, at its expense, shall perform or cause to be performed the following:

a. Removal of Existing Stacks and Silos. On or before a date that is six (6) months after the Effective Date, Hurt Partners shall take down, demolish and remove all existing stacks and silos from the Property.

b. Bush Hog Vegetation. On or before a date that is six (6) months after the Effective Date, Hurt Partners shall bush hog (i) vegetation around the distribution pad and textile factory pad in the SVMP; (ii) overgrown vegetation within sight of the public right-of-way serving the SVMP; and (iii) vegetation on saleable lots set forth in the Development Plan. After such initial bush hogging, Hurt Partners shall maintain those areas of the SVMP in a commercially reasonable condition until the same is purchased by SR RIFA.

c. Trash Removal. On or before a date that is six (6) months after the Effective Date, Hurt Partners shall remove all trash from the concrete pads of the SVMP. After such initial trash removal, Hurt Partners shall maintain those areas of the SVMP in a commercially reasonable condition until the same is purchased by SR RIFA.

d. Roadways. During the Option Term, Hurt Partners, at its expense, shall pave with gravel and maintain the internal roadways of the SVMP in such a manner to support marketing efforts and site visits and to improve vehicular access to planned phases of site development in the SVMP as set forth in the Development Plan as the same may be modified from time to time by agreement of Hurt Partners and SR RIFA. Moreover, separate and apart from the Development Plan, Hurt Partners shall prioritize the gravel paving of, and shall pave, within the first twelve (12) months of the Initial Option Term, a gravel driveway from the distribution pad to the water plant in the SVMP.

Section 12. - Covenants by Hurt Partners.

a. No Judgment Liens on the Property. In the event that a judgment in excess of Fifty Thousand and 00/100 Dollars (\$50,000.00) is entered against Hurt Partners or any of its members, Hurt Partners shall give written notice of the same to SR RIFA. Should such judgment be docketed in the Clerk's Office of the Circuit Court of Pittsylvania County, Virginia, Hurt Partners shall give notice to SR RIFA and promptly satisfy the same within thirty (30) days of its recordation. If such judgment lien is not satisfied within such thirty (30) day period, SR RIFA shall have the right, but not the obligation, to satisfy the same, and at the election of SR RIFA, (i) Hurt Partners shall reimburse SR RIFA within thirty (30) days after such payment, with interest accruing until paid at the Prime Lending Rate (as hereafter defined), or (ii) such amount paid plus such interest accruing thereon shall be credited against the Option Fee or the Purchase Price at the next Closing (or Closings as the case may be). The "**Prime Lending Rate**" shall mean the interest rate posted by at least seventy five percent (75%) of the nation's thirty (30) largest banks and published in the Money Rates Section of the Wall Street Journal as the prime rate, as the same may change from time to time.

b. \$4M Limit on the Amount Secured by the Property. At no time during the Option Term shall the Property secure more than an aggregate of Four Million and 00/100 Dollars (\$4,000,000.00) in indebtedness (the "**\$4M Limitation**") without the prior written consent of SR RIFA, which consent may be withheld in the sole discretion of SR RIFA.

c. No Outside Loans Secured by the Property. Independent of the \$4M Limitation, the Property shall only be used to secure indebtedness of Hurt Partners and no one else (e.g., not indebtedness of its managers, members, affiliates and/or subsidiaries).

d. Secured Indebtedness Limited to Development of SVMP or Refinancing of Existing Secured Indebtedness on the Property. Not less than eighty percent (80%) of the proceeds of any and all loans secured by the Property shall be used to or for the development of SVMP or refinancing of debt secured by the Property. Within ninety (90) days after written request by SR RIFA, Hurt Partners shall provide a statement showing the application of such loan proceeds in accordance with this Section 12(d).

e. Application of the Option Fee to the Development of SVMP or Debt Service on the Property. Hurt Partners shall first apply the Option Fee it receives toward the development of SVMP (including, but not limited to, all operating costs maintenance costs, and other costs of Hurt to comply with the terms of this Agreement), debt service on the Property or account payables related to its performance under this Agreement. Upon request of SR RIFA, which request shall not be made more than once in any calendar year, Hurt Partners shall provide to SR RIFA an annual statement, showing the application of the Option Fee in accordance with this Section 12(e).

f. Cooperation in Marketing Efforts. Hurt Partners shall reasonably cooperate with

SR RIFA in marketing the SVMP to potential business recruits identified by SR RIFA.

g. General Public Liability Insurance. During the Option Term, Hurt Partners, at its expense, shall obtain and maintain or cause to be obtained and maintained comprehensive general public liability insurance on an "occurrence" basis for the benefit of Hurt Partners and SR RIFA as an additional insured, with a coverage limit in the amount of at least Four Million and 00/100 Dollars per occurrence. However, in the event that SR RIFA exercises the Option and the Closing occurs, Hurt Partners shall have the right, upon giving SR RIFA prior written notice, to reduce such minimum coverage limit for the ensuing policy coverage year to an amount equal to the tax assessed value of the Property as then constituted. All insurance policies shall be issued and maintained by insurers, in amounts, with deductibles, and in form satisfactory to SR RIFA, and shall require not less than thirty (30) days prior written notice to SR RIFA of any cancellation or change of coverage. A certificate of insurance evidencing the existence of the coverage required herein shall be delivered to SR RIFA within thirty (30) days after the Effective Date, with premiums fully paid, and for each renewal or substitute policy, a certificate of insurance shall be delivered to SR RIFA at least ten (10) days before the termination of the policy it renews or substitutes.

Section 13. - Covenants by SR RIFA.

a. Cooperation in Marketing Efforts. SR RIFA shall reasonably cooperate with Hurt Partners in marketing the SVMP for industrial use by compatible businesses.

b. Designation of Preferred Contractor. SR RIFA shall designate Hurt Partners and/or its affiliates as SR RIFA's preferred contractor and shall market such designation to SR RIFA's potential business recruits.

Section 14. - Representations by SR RIFA.

a. No Broker. Except for the support staff of SR RIFA's member localities, no real estate agent, broker, finder or other person has acted for or has an agreement with SR RIFA with respect to the sale of the Property.

b. No Litigation. There are no legal actions, suits, actions, or other legal or administrative proceedings pending or, to SR RIFA's knowledge, threatened against SR RIFA or its member localities pertaining to this Agreement or the SVMP, and SR RIFA is not aware of any facts which might result in any such action, suit or other proceedings.

c. Appropriations for the Option Fee and other Monetary Obligations. While recognizing that SR RIFA is not empowered to make any binding commitment beyond the current fiscal year of SR RIFA, it is the current intention of SR RIFA to make sufficient annual appropriations during the Option Term to pay for the Option Fee. Notwithstanding anything in this Agreement to the contrary, SR RIFA's obligation to pay for the Option Fee and any other sums payable by SR RIFA under this Agreement, are subject to and dependent upon

appropriations being made from time to time by or on behalf of SR RIFA for such purpose. In the event SR RIFA fails to pay the Option Fee then this Agreement shall automatically terminate.

d. Due Authorization. SR RIFA represents, warrants and agrees that the execution and performance of this Agreement have been duly approved by all necessary board action and are not in violation of any other agreement SR RIFA has with any third parties; and that this Agreement is a valid binding, legal obligation of SR RIFA, enforceable in accordance with its terms, except to the extent that this Agreement imposes upon SR RIFA an obligation to pledge the faith and credit of SR RIFA within the meaning of any constitutional debt limitation; to delegate governmental powers; to make a donation or to lend credit of SR RIFA within the meaning of the Constitution of Commonwealth of Virginia; or to, directly or indirectly or contingently, obligate SR RIFA to make any payments beyond those appropriated for any fiscal year in which this Agreement is in effect.

Section 15. - Recordation. SR RIFA, at its expense, may record a memorandum of this Agreement in the Clerk's Office of the Circuit Court of Pittsylvania County, Virginia. The provisions of this Agreement shall run with the Property.

Section 16. - Confidentiality. Except as otherwise required by law or as otherwise agreed in writing by SR RIFA, Hurt Partners shall keep confidential the identity and any other information about the negotiation of any arrangement regarding the Property with any prospective business recruits of SR RIFA until a public announcement is made by SR RIFA, if ever. In the event that SR RIFA enters into a confidentiality or non-disclosure agreement with such a prospective business recruit, Hurt Partners, upon request of SR RIFA, shall promptly execute the same or substantially similar agreement with such recruit.

Section 17. - Notices. Any notice required or contemplated to be given to a party by the other party shall be in writing and shall be given by hand delivery, certified or registered United States mail, or a private courier service which provides evidence of receipt as part of its service, as follows:

If to Hurt Partners: Hurt Partners, LLC
Attn.: J.W. Dellinger, Jr.
2130 N. Tryon Street
Charlotte, NC 28206-2738

with a courtesy copy to:
Brian Hall, Director of Development
Samet Corporation
309 Gallimore Dairy Rd, Suite 102
Greensboro, NC 27409

If to SR RIFA: Staunton River Regional Industrial Facility Authority
Attn.: Chairman
1 Center Street
P.O. Box 426
Chatham, VA 24531

with courtesy copies to:
Pittsylvania County Economic Development
Attn.: Director
1 Center Street
P.O. Box 426
Chatham, VA 24531

Town of Hurt
Economic Development Committee
Attn.: Chair
533 Pocket Road
P.O. Box 760
Hurt, VA 24563

Town of Altavista Economic Development
Attn.: Director
510 Seventh Street
P.O. Box 420
Altavista, VA 24517

City of Danville Economic Development
Attn.: Director
P.O. Box 3300
427 Patton Street (24541)
Danville, VA 24543-3300

Any party may change the address to which notices hereunder are to be sent to it by giving written notice of such change in the manner provided herein. A notice given hereunder shall be deemed given on the date of hand delivery, deposit with the United States Postal Service properly addressed and postage prepaid, or delivery to a courier service properly addressed with all charges prepaid, as appropriate. A courtesy copy as set forth in this Section is for courtesy only and shall not itself constitute notice.

Section 18. - Non-waiver. No waiver of any term or condition of this Agreement by any party shall be deemed a continuing or further waiver of the same term or condition or a waiver of any other term or condition of this Agreement.

Section 19. - Attorneys' Fees. Each of the parties shall be solely responsible for their

respective attorneys' fees in the negotiating, drafting, and execution of this Agreement and any of the transactions contemplated hereby.

Section 20. - Other Documents. The parties agree that they shall execute, acknowledge, and deliver all such further documents as may be reasonably required to carry out and consummate the transactions contemplated by this Agreement.

Section 21. - Default. In the event that a party to this Agreement incurs legal fees and/or costs in pursuing or defending an alleged breach of this Agreement, the non-prevailing party, in addition to any other remedy, shall be responsible for the reasonable legal fees and costs incurred by the prevailing party. The parties retain all rights at law and in equity to enforce the provisions of this Agreement in accordance with applicable law.

Section 22. - Entire Agreement. This Agreement and the schedules hereto contain the entire agreement and understanding of the parties to this Agreement with respect to the transactions contemplated hereby; and this Agreement and the schedules hereto supersede all prior understandings and agreements of the parties with respect to the subject matter hereof.

Section 23. - Headings. The descriptive headings in this Agreement are inserted for convenience only and do not constitute a part of this Agreement.

Section 24. - Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. The parties have participated jointly in the negotiation and drafting of this Agreement. If any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumptions or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement.

Section 25. - Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

Section 26. - Amendment, Modification and/or Supplement. The parties may amend, modify, and/or supplement this Agreement in such manner as may be agreed upon by the parties, provided such amendments, modifications, and/or supplement are reduced to writing and signed by the parties or their successors in interest.

Section 27. - Gender and Number. Throughout this Agreement, wherever the context requires or permits, the neuter gender shall be deemed to include the masculine and feminine, and the singular number to include the plural, and vice versa.

Section 28. - Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.

Section 29. - Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Section 30. - Survival. Any termination, cancellation or expiration of this Agreement notwithstanding, provisions which are by their terms intended to survive and continue shall so survive and continue.

Section 31. - Venue. The parties hereby submit to the exclusive jurisdiction of the state court located in Pittsylvania County, Virginia, or the U.S. District Court for the Western District of Virginia (Danville Division), in any action or proceeding arising out of, or related to this Agreement, and the parties hereby agree that all claims in respect of any action or proceeding shall be heard or determined only in either of these courts. The parties agree that a final judgment in any action or proceeding shall, to the extent permitted by applicable law, be conclusive and may be enforced in other jurisdictions by suit on the judgment, or in any other manner provided by applicable law related to the enforcement of judgments.

Section 32. - No Third-Party Beneficiaries. Nothing in this Agreement is intended, nor will be deemed, to confer any rights or remedies upon any person or legal entity not a party to this Agreement.

Section 33. - Relationship of Parties. Nothing in this Agreement shall be construed so as to create a relationship of agency, employment, joint venture or partnership. Neither party to this Agreement shall make any representations to third parties tending to create apparent agency, employment, joint venture or partnership. Neither party to this Agreement will have authority to act for the other in any manner to create obligations or debts binding on the other, and neither party will be responsible for any obligations or expenses whatsoever of the other.

[SIGNATURES ON FOLLOWING PAGES.]

WITNESS our signature to this **SVMP DEVELOPMENT AND OPTION AGREEMENT** as of the date first above written:

SR RIFA:

STAUNTON RIVER REGIONAL INDUSTRIAL FACILITY AUTHORITY, a political subdivision of the Commonwealth of Virginia

By: _____
Elton W. Blackstock
Chairman

COMMONWEALTH OF VIRGINIA AT LARGE
CITY/COUNTY OF _____, to-wit:

The foregoing instrument was acknowledged before me this ____ day of May 2019, by **ELTON W. BLACKSTOCK**, in his capacity as chairman of **STAUNTON RIVER REGIONAL INDUSTRIAL FACILITY AUTHORITY**, a political subdivision of the Commonwealth of Virginia.

My commission expires: _____.

(SEAL)

Notary Public
Registration Number: _____

WITNESS our signature to this **SVMP DEVELOPMENT AND OPTION AGREEMENT** as of the date first above written:

Hurt Partners:

HURT PARTNERS, LLC, a North Carolina limited liability company, d/b/a Hurt Partners - North Carolina, LLC

By: _____
J.W. Dellinger, Jr.
Manager

STATE OF _____
CITY/COUNTY OF _____, **to-wit:**

The foregoing instrument was acknowledged before me this ____ day of May 2019, by **J.W. DELLINGER, JR.**, in his capacity as manager of **HURT PARTNERS, LLC**, a North Carolina limited liability company.

My commission expires: _____.

(SEAL)

(Only if in Va.): _____
Notary Public
Registration Number: _____

List of Schedules

Schedule 1(a) - Legal Description of the Property or SVMP

Schedule 9(a)(iv) - Environmental

Schedule 9(a)(v) - Third Parties in Possession

Schedule 1(a)
(Legal Description of the Property or SVMP)

[Legal Description from that certain Deed dated December 2, 2015, from Apparel Fabrics Properties, Inc., a Delaware corporation, to Hurt Partners, LLC, a North Carolina limited liability company, recorded in the Clerk's Office of the Circuit Court of Pittsylvania County, Virginia, as Instrument No. 15-06331, at page 132.]

Hurt Partners Initials: _____

SR RIFA Initials: _____

Schedule 9(a)(iv)
(Environmental)

The parties acknowledge that as of the Effective Date, certain portions of the Property are being remediated by Hurt Partners as follows:

None.

In the event that such remediation is not completed, to the satisfaction of the applicable governmental authority with competent jurisdiction, within one (1) year after the Effective Date, the Development Plan shall be revised to subdivide and/or consolidate that portion of the Property to be remediated in a manner reasonably agreeable to SR RIFA (the "**Sequestered Property**"). The Option Fee then in effect shall be adjusted in the same manner set forth in Section 6(b)(ii) above for the balance of the Option Term.

Hurt Partners Initials: _____

SR RIFA Initials: _____

Schedule 9(a)(v)
(Third Parties in Possession)

None.

Hurt Partners Initials: _____

SR RIFA Initials: _____

Staunton River Regional Industrial Facility Authority
 General Expenditures for Fiscal Year 2019
 As of April 30, 2019

	Funding	Budget	Expenditures	Remaining Balance
<i>Funding</i>				
Locality Contributions:				
City of Danville	23,000.00			
Pittsylvania County	50,000.00			
Town of Altavista	23,000.00			
Town of Hurt	4,000.00			
Total Funding	100,000.00			
<i>Expense</i>				
Accounting-Audit Fees		4,000.00	-	4,000.00
Legal Fees		41,000.00	28,198.82	12,801.18
Land Option		50,000.00	-	50,000.00
Postage, Mailing Service		40.00	11.00	29.00
Supplies		1,100.00	1,005.54	94.46
Meetings and Incidentals		435.00	131.77	303.23
Unobligated		3,425.00		3,425.00
Total	100,000.00	100,000.00	29,364.15	70,652.87



VACORP

2019 - 2020

**Self Insurance Proposal for:
Staunton River Regional Industrial Facility
Authority**



**For additional information, contact:
Stephanie Heintzleman
1819 Electric Road, Suite C
Roanoke, VA 24018
Phone: (844) 986-2705**

Presented: May 10, 2019

Package coverages, terms, conditions and exclusions are only briefly outlined. For complete provisions, please refer to the coverage contract.



VACORP

**We provide the most extensive coverage and service
at stable and extremely competitive pricing.**

Why VACORP?

Member-Owned, Member Governed

VACORP provides coverage and risk management expertise to local government entities throughout Virginia. By pooling risks, members enjoy the benefits of comprehensive coverage, cost savings, and price stability. Unlike a commercial carrier, VACORP is governed by a Supervisory Board that is comprised of pool members that have a common interest. As a member governed organization, VACORP knows and understands its members' needs and has a proven record of quickly responding to the changes in state laws and mandates.

Services and Resources

VACORP uses its expertise to custom design services to meet the specific needs of each member, including risk management consultations and on-site trainings.

- Automatic 5% dual program credit when Workers' Compensation coverage added
- Online tools allow our members easy access to claim reporting, claims data, customized loss reports, Certificate of Insurance requests, and changes to Property, Inland Marine, and Auto schedules
- Customized risk management programs designed specifically for each member based on claims/risks
- Hot topic workshops presented in various regions across Virginia
- Contract and lease review to ensure adequate coverage requirements and indemnification language
- Pollution coverage included as part of the general liability coverage
- Property valuations are completed on a rotating basis at no charge
- Cyber risk coverage provided at no charge. Optional limits available
- Case Management services provided by nursing professionals
- Medical Bill Review to ensure cost effective treatment for injured employees
- Nurse triage services available by trained professionals
- Live and recorded training webinars
- Defensive Driver Training with Enhanced On-Site Driving Simulator
- OSHA Training
- Online SafePersonnel Training Courses

VACORP is pleased to provide this information. Coverage details are provided in the proposal documents. Please let us know if you need additional information.





VACORP

Staunton River Regional Industrial Facility Authority

Contribution Summary Form

Coverage	Deductible	Contribution
General Liability : \$2,000,000 Combined Single Limit; Occurrence Form; No Annual Aggregate; Non-Audited	None	\$250
Public Officials Liability : \$1,000,000 Limit Each Wrongful Act	None	\$550
Automobile : \$2,000,000 Liability Limit for Hired Autos; \$1,000,000 Non-Owned Auto Liability	\$250 Comp/Coll	\$150
Crime : Blanket \$250,000 Faithful Performance; In/Out Robbery; Counterfeit; Forgery; Computer Fraud; Telephone Toll Fraud \$25,000 sublimit	\$250	\$675
Environmental Liability : \$1,000,000 Limit	\$25,000	Included
Cyber Risk : \$500,000 Limit	None	Included
Grand Total Annual Contribution		\$1,625
<i>Dual Program Discount, (savings included above, if applicable)</i>		\$0

In order to be eligible for VACORP membership, the following coverages must be selected: Property (where applicable), General Liability, Business Auto (where applicable), and Crime.

Any additions or deletions made after the proposal and initial billing effective up to and including July 1st will result in an endorsement and contribution adjustment.



VACORP

RESPONSE NEEDED - If electing option(s) below, please indicate on Coverage Intent Form form. Otherwise, coverage will be based upon current coverage as you do not wish to select proposed option(s) below.

**2019 - 2020 Quote Options for
Staunton River Regional Industrial Facility Authority**

OPTION 1 : Cyber Risk - Increased Liability

VACORP provides members an opportunity to increase Cyber Risk coverage. The purchased limit is your own limit, which is outside of the VACORP pooled limit for other members. Cyber Risk Liability provides coverage due to network security breaches (including hacking and viruses) and online privacy matters (including identity theft). Coverage also includes Crisis Management, Remediation and Notification Expense coverage for public relations services, expense to determine scope of breach, and notification expense required by law, including mailings and monitoring up to the purchased limit.

Limit	Deductible	Additional Contribution
\$1,000,000	\$0	\$1,000
\$2,000,000	\$0	\$2,000
\$3,000,000	\$0	\$3,000



General Liability

- VACORP general liability coverage provides the broadest protection for public entities in Virginia.
- VACORP coverage provides protection from claims or suits for personal injury or property damage.
- Defense costs are provided for certain excluded acts.
- Excess limits available.

Basis of Contribution

Net Operating Expense

\$ 51,575

Limits

- \$2,000,000 Combined Single Limit for Bodily Injury and Property Damage - Each Occurrence
- No Annual Aggregate

Additional Coverages

- Contractual Liability for Covered Contracts
- Personal Injury and Advertising Liability
- Broad Form Property Damage Liability
- Incidental Medical Malpractice
- Limited Worldwide Liability
- Owned Watercraft under 51 Feet
- Products/Completed Operations
- Volunteers included as Covered Persons (Volunteer Fire and Rescue are excluded)
- Punitive Damages Covered in Most Cases
- Employee Benefits Liability
- Drone Liability

Sublimits

- \$500,000 Fire Legal Liability - Real Property
- \$100,000 Care, Custody, and Control of Others' Property
- \$5,000 Premises Medical Payments (Per Person)
- \$10,000 Premises Medical Payments (Per Occurrence)

Deductible

None



Public Officials Liability

- Public Officials Liability provides protection against allegations of wrongful acts, such as sexual harassment and employment practices.
- Defense costs are provided for certain excluded wrongful acts.

Limits

- \$1,000,000 Each Wrongful Act
- \$1,000,000 Annual Aggregate

Policy Form

Occurrence

Coverages

- Governing body and staff considered covered persons
- Employment Practices
- Sexual Harassment
- Defense cost in addition to coverage limits

\$100,000 Defense Limit Provided for the Following Excluded Coverages:

- Fraud and Dishonesty
- Profit and Gain
- Violation of Statute
- Failure to Maintain Insurance
- Breach of Fiduciary Duty
- Breach of Contract, other than Failure to Pay
- Land Use/Eminent Domain (subject to deductible - see next section.)

Deductible

- \$10,000 Land Use/Eminent Domain



Business Automobile - Hired and Non-Owned Only

- VACORP coverage includes hired and non-owned vehicles.
- Automatic coverage for newly acquired vehicles at no additional charge.
- Excess limits available.

Basis of Contribution

Number of Vehicles	N/A
--------------------	-----

Liability

Limits

- \$2,000,000 Liability Limit For Owned and Hired Autos - Bodily Injury and Property Damage - Each Occurrence
- \$5,000 Medical Payments (Per Person)
- \$1,000,000 Non-Owned Auto Liability (excess over any other collectible insurance)
- No Annual Aggregate

Physical Damage

Deductibles

- \$250 Hired Car Physical Damage Comprehensive (up to \$50,000)
- \$250 Hired Car Physical Damage Collision (up to \$50,000)



Crime

- Crime provides protection from loss of money and securities, as well as, forgery and fraud.
- State-required faithful performance bonds for covered persons are included.
- Coverage is for covered committed by employees and volunteers.

Limit

- \$250,000 Per Occurrence

Coverage Forms

- Employee Theft
- Faithful Performance / Employee Dishonesty
- Blanket Position Bond
- Loss Inside and Outside the Premises
- Money Orders and Counterfeit Paper Currency
- Depositors Forgery
- Computer Fraud
- Funds Transfer Fraud
- Telephone Toll Fraud subject to \$25,000 sublimit

Deductible

- \$250 Per Occurrence

Environmental Liability

- VACORP provides members with liability protection for first and third party environmental liabilities.
- Coverage for third party cleanup involving above ground pollution exposures is included.

Limits

- \$1,000,000 Each Incident and Aggregate - Per Member
- \$2,000,000 Combined Aggregate for all Members

Coverages

- Third Party Clean-up for above ground pollution exposures, such as:
 - Water & Sewer Operations
 - Transfer Stations
 - Spraying of Pesticides and Herbicides
 - Golf Courses
 - Above Ground Storage Tanks

Exclusions *

- Underground Storage Tanks
- Landfills

* VACORP will place coverage for these excluded exposures through a commercial carrier, if requested.

Deductible

- \$25,000 Per Occurrence



Cyber Risk

- VACORP members are covered for online privacy matters (including identity theft), losses due to network security breaches (including hacking and viruses), copyright infringement, and online slander or libel, among other issues.

Limits

- \$500,000 Per Occurrence and Aggregate - Per Member
- \$5,000,000 Combined Aggregate for all Members

Coverages

Network Security, Privacy, and Data Breach Liability

- Liability for unauthorized access to the computer network, including personal identifying information such as social security numbers, credit card numbers, etc.
- Liability for transmission of a computer virus

Multimedia Liability

- Copyright/trademark infringement, invasion of privacy, plagiarism, libel and slander through website or social media

Regulatory Liability

- Liability, including defense costs, resulting from a claim by an official regulatory agency or governmental body as a result of a security breach or privacy breach or breach of privacy regulations
- Includes civil and/or administrative penalties or fines imposed by an official regulatory agency or governmental body

Data Breach Incident Response

- Expenses paid to third party service providers arising from a data breach for legal services, notification expenses, fraud monitoring and resolution services, call center services, public relations services, and computer forensic services.

Data Restoration

- Costs to restore, compile or replace data
- Reasonable and necessary costs and expenses to determine scope of breach
- Costs paid to restore, compile or replace data to a third party as a result of a network security breach or cyber extortion event

Cyber Extortion

- Reimbursement of reasonable costs and expenses resulting from request for money to avoid damage, destruction, corruption or introduction of a computer virus, a malicious code or denial of service

Social Engineering Fraud

- Covers financial loss relating to a social engineering event whereby an employee is instructed to move funds to another bank fraudulently

PCI DSS Fines

- Covers PCI contractual costs and regulatory fines following a security or privacy event

Deductible

None



Staubton River Regional Industrial Facility Authority

VACORP

ATTENTION

Upon review, please sign/return to sbrown@riskprograms.com to ensure prompt processing of documents, including invoice and certificates of coverage.

2019 - 2020 Coverage Intent Form

After careful consideration of your proposal, we accept your coverage program subject to the following selections or changes:

ACCEPTANCE:	
<input type="checkbox"/>	ACCEPT - We accept all coverages as presented in this proposal.
<input type="checkbox"/>	MODIFY - We wish to request the following changes:
<input type="checkbox"/>	REJECT - We do not accept your proposal.

OPTIONAL QUOTES PROVIDED HEREIN:

Accept	Reject	CYBER RISK:
<input type="checkbox"/>	<input type="checkbox"/>	ELECT optional Increased Limit for Cyber Risk as follows: Total Limit: \$ _____ Additional Contribution: \$ _____

If additional quote options are provided herein, please indicate below if electing. Otherwise, coverage will be based upon current coverage as you do not wish to select option(s).

BILLING TERMS	
We wish to select the following billing terms shown below	
Coverages (if applicable):	
Property & Casualty	<input type="checkbox"/> Due and payable in full
Accident and Illness	<input type="checkbox"/> Due and payable in full
Workers' Compensation	<input type="checkbox"/> Annual Payment
	<input type="checkbox"/> Quarterly Installments
<i>Any additions or deletions made after the proposal and initial billing effective up to and including July 1st will result in an endorsement and contribution adjustment.</i>	
<i>A late charge of 1% per month(12% per annum) will be assessed for contributions received 30 days after due date.</i>	

_____	_____	_____
PRINTED NAME	SIGNATURE	DATE



VACORP

Staunton River Regional Industrial Facility Authority

Coverage Term : 7/1/2019 - 7/1/2020

BUSINESS AUTO SCHEDULE

Vehicle #	Department	Year	Make	Model	VIN	Repl. Cost Value	Comp Ded	Coll Ded
Totals			Count: 0			\$0.00		

Staunton River Regional Industrial Facility Authority
Amended Budget
For Fiscal Year 2020

	Proposed Budget
<i>Funding</i>	
Locality Contributions:	
City of Danville	23,000.00
Pittsylvania County	50,000.00
Town of Altavista	23,000.00
Town of Hurt	4,000.00
Total Funding	<u>100,000.00</u>
 <i>Expense</i>	
Accounting-Audit Fees	4,000.00
Legal Fees	40,000.00
Land Option Fee	50,000.00
Postage, Mailing Service	100.00
Supplies	1,200.00
Meetings and Incidentals	675.00
Insurance	1,625.00
Total Expense	<u>97,600.00</u>
Total Unobligated Funds	<u><u>2,400.00</u></u>