

POPE ZEIGLER, LLC

Attorneys and Counselors at Law

1411 Gervais Street
Suite 300
Post Office Box 11509
Columbia, South Carolina 29211

Gary T. Pope
Main (803) 354-4900
Direct (803) 354-4910
Fax: (803) 354-4899
gpope@popezeigler.com

July 30, 2008

Eric Amstutz, Esquire
Wyche Burgess Freeman and Parham, P.A.
Attorneys At Law
P.O. Box 728
Greenville, S.C. 29602

RE: Presbyterian College – School of Pharmacy

Dear Eric:

Thank you for speaking with me on Monday evening about the College's proposed acquisition of Frampton Hall from the City of Clinton. The County of Laurens is also participating in this important economic development project through its issuance of General Obligation Bonds that will result in a net of \$750,000 being available for Project purposes. We represent both the City and the County in this matter.

There are several Constitutional hurdles which must be crossed for the deal to go forward with the involvement of the City and the County. Briefly the Sections of the U.S. and S.C. Constitutions involved are:

1. U.S. Constitution. Amendment I.

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances.

2. S.C. Const. art. I, § 2. Religious freedom; freedom of speech; right of assembly and petition.

The General Assembly shall make no law respecting an establishment of religion or prohibiting the free exercise thereof, or abridging the freedom of speech or of the press; or the right of the people peaceably to assemble and to petition the government or any department thereof for a redress of grievances.

Concentrating on public finance, governmental and utility representation.

P2-5
115

POPE ZEIGLER, LLC

Attorneys and Counselors at Law

Eric Amstutz, Esquire

July 30, 2008

Page 3

3. No religious activities could take place in the Frampton Hall facilities, either while it is leased or while it is owned outright by Presbyterian College.
4. Frampton Hall would be purchased as an economic development project of the City of Clinton by the Clinton Economic Development Corporation, and leased for a Dollar (\$1.00) a year to the College, which would have the full right to refurbish and improve the structure and grounds at its own risk for its educational purposes for the benefit of the students who would be educated therein.
5. That the lease would remain in effect so long as the General Obligation Bonds issued by Laurens County in support of this project remained outstanding. Such bonds would be issued in November and would remain outstanding for a period of five or six years thereafter.
6. When the Laurens County bonds are paid off, the College agrees that it will then accept a deed conveying fee simple title from the Development Corporation, subject to either a right of reversion to the property, the first right of refusal to purchase the property, giving full credit for the value of the Development Corporation's investment in the premises, as adjusted by the Consumer Price Index (the "CPI"), the right to force a sale of the property with sales proceed being divided pro rata, or by the College's refunding to the Corporation the amount of its investment, adjusted by the change in the CPI during the period of the College's use and ownership of the property, but only in the event that any religious or other unconstitutional use is made of the facilities in the future.
7. The \$200,000 in cash which was mentioned in the agreement between the City and the College dated June 5, would have to be paid from an escrow fund and used for building improvements at Frampton Hall as they are made. (The City cannot make a direct grant of \$200,000 to the College without violating Article XI, Section 4 of the S.C. Constitution).
8. The monies expended for parking lot improvements, approximately \$300,000, will not be spent until the construction project is much further along. Because these improvements will be made directly by the City, no Escrow Fund would be required for these monies.

POPE ZEIGLER, LLC

Attorneys and Counselors at Law

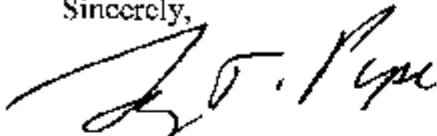
Eric Amstutz, Esquire

July 30, 2008

Page 4

For your convenience I have enclosed a copy of the Agreement between the City and the College dated June 5, 2008, which sets forth the original structure of the transaction.

Sincerely,



Gary T. Pope

cc: Josh Kay, City Manager of the City of Clinton
Ernie Segars, County Administrator for Laurens County ✓
Alexander Cruickshanks, IV, Laurens County Attorney

The Presbyterian College School of Pharmacy Recruitment Proposal

The City of Clinton (City) hereby agrees to:

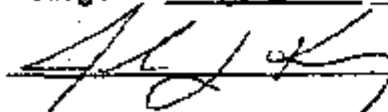
1. Purchase Frampton Hall buildings and transfer to Presbyterian College (PC) the buildings, land on which the buildings sit, and the parking lot in fee simple title, free and clear of all liens and encumbrances. This transfer includes the assurance that the sewer, water, and exterior electric services are adequate to support the needs of the School of Pharmacy. Should they prove not to be, the City will remedy the situation. Further, this transfer includes the responsibility of the City, until July 1, 2010, to remove any undisclosed hazardous materials contained within or on the land (excluding the buildings).
2. Approve the use of the Frampton Hall apartments as student residences beginning with the fall of 2008.
3. Provide separate electric meters for the academic program portion of the Frampton Hall complex (old building) and provide individual apartment electric meters as requested by renters and at the renters expense (new buildings).
4. Provide a fiber connection from Frampton Hall and the Depot to the Administration Building of PC and waive, in perpetuity, the annual rental fees.
5. Provide parking for 250 vehicles, with the following conditions:
 - a. The parking lot currently available in the rear of the Frampton Hall buildings, which can hold 50 vehicles, will be given to PC with the building and PC will landscape, maintain and secure;
 - b. The City will construct, retain, landscape, maintain, and secure two adjacent parking lots that can accommodate 200 additional parking spaces;
 - c. The lots will be well lit, landscaped, and will include the appropriate pedestrian access. PC will participate in developing the landscape, lighting, and pedestrian landscape plans for all parking lots
 - d. The City will charge a minimum annual parking permit fee and will provide security to the lots to assure that only permitted vehicles are present. The initial rate for the two City lots will be set at no more than \$100 per year with an increase of no more than 3% per year for as long as PC uses the facility.

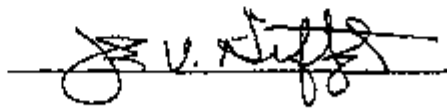
6. Cause the Clinton Economic Development Corporation to provide PC with \$200,000 in cash as soon as the deal is approved by the City/County and PC's Board of Trustees to be used for building improvements and upgrades.
7. Give to PC the right of first refusal on any city-owned property to come up for sale that is considered to be in a desirable location for any future expansion needs of the School of Pharmacy. This excludes The MS Bailey Municipal Building and Associated Properties.
8. Actively recruit residential developers to construct housing for both the projected student population as well as single family dwellings for faculty and administrators. The City will include PC officials in recruiting developers.
9. If PC finds it necessary to close the School of Pharmacy within 10 years from July 1, 2008, PC will reimburse the City based on a standard depreciation schedule for the \$1 million purchase price (July 1, 2008) of the buildings. If within 10 years, PC desires to use the facility for another educational purpose, PC will discuss those plans with the City and determine a mutually agreeable economic development approach to such use.
10. If PC decides to sell the facility, the City reserves right of first refusal on the land and buildings at fair market value less the \$1 million investment of the City of Clinton.

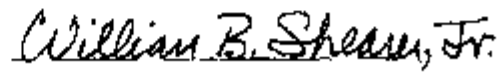
Presbyterian College hereby agrees to:

1. If items 1 – 6 are accomplished and items 7-10 affirmed, the Presbyterian College Board of Trustees agrees to select the Frampton Hall site as the location for the Presbyterian College School of Pharmacy.

This agreement is entered into by the City of Clinton and Presbyterian College on June 5, 2008.


 Josh Kay, City Manager
 City of Clinton


 John V. Griffith, President
 Presbyterian College


 William B. Shearer, Jr., Chair
 PC Board of Trustees