

19055

IN THE STATE OF SOUTH CAROLINA
In the Court of Appeals

ORIGINAL

APPEAL FROM GREENVILLE COUNTY
Court of Common Pleas

Edward W Miller, Circuit Court Judge

Case No 2008-CP-23-05739

RECEIVED
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SC Court of Appeals

Andrew P (Andy) Ballard,

Respondent,

v

Tim Roberson, Rick Thoennes, Rick Thoennes III,
and Warpath Development, Inc

Appellants

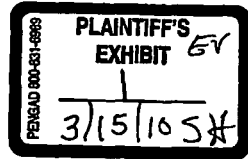
**RECORD ON APPEAL
VOLUME III OF III**

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Attorneys for Respondent



STATE OF SOUTH CAROLINA)

COUNTY OF GREENVILLE)

STOCK PURCHASE
AGREEMENT

This Agreement made and entered into this 29th day of May, 2007 by and between Andy Ballard, hereinafter referred to as *Ballard*, Tim Roberson, hereinafter referred to as *Roberson* Rick Thoennes, hereinafter referred to as *Thoennes*, Rick Thoennes III hereinafter referred to as *Thoennes III* and Warpath Development Inc hereinafter referred to as *Warpath*

WITNESSETH

Whereas, Warpath is a South Carolina corporation presently solely owned by Ballard, and

Whereas, Warpath is the holder of a lease on property located at Lake Keowee and is desirous of developing the property and

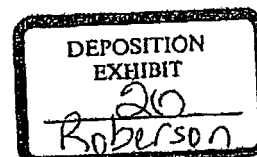
Whereas Roberson Thoennes and Thoennes III are in the business of property development and are desirous of being involved in the development of the project with Ballard and Warpath, and

Whereas Ballard wishes to convey to the other parties 80% of the corporation in exchange for the purchase of one half of his stock plus an additional 60 000 shares and

Now Therefore for and in consideration of the monetary sum stated herein and other valuable consideration the parties hereto agree as follows

- 1 The group of Roberson, Thoennes and Thoennes III will pay to Ballard upon closing the sum of \$1,000 000 00 in exchange for 20 000 shares of Ballard's 40,000 shares and will receive from the corporation additional shares so that Ballard will hold 20% of the stock and the other 80% will be held by Roberson, Thoennes and Thoennes III when all shares are finally issued When the new stock is issued the final holdings will be as follows

Roberson	40 000 shares
Thoennes	20 000 shares
Thoennes III	20 000 shares
Ballard	20 000 shares



Handwritten initials and signature: M/L, Q/B, K.

- 2 In addition to the above the corporation will pay Ballard \$100 000 00 upon the grand opening of the Marina. An additional \$50,000 00 will be paid one year after said grand opening. Grand Opening being defined as "when the Marina opens for business."
- 3 Ballard warrants and represents that he holds a lease with Duke Power and the necessary approvals from Duke Power and Pickens County in order to build the development per conceptual plans for Warpath Landing. Final permits must be obtained to move forward.
- 4 Ballard agrees to execute a separate agreement with Warpath defining his duties in the project development which shall include but not be limited to securing dock permits, building permits, hotel leases, restaurant leases, engineering services, architectural services and any other service deemed necessary and appropriate to complete the conceptual plan for Warpath Landing. If Ballard is unable to obtain the Marina and Dock permits per the conceptual plan, the \$1,000,000 00 payment will be refunded, \$250 000 00 will be refunded within 90 days and the balance within 6 months after it is determined the permits cannot be obtained.
- 5 Thoennes and Thoennes III will execute an agreement with Warpath defining their respective duties, including but not limited to development work, execution of loan documents, assistance with proformas, assistance with obtaining permanent financing and other such service as may be appropriate.
- 6 Roberson agrees to provide the necessary capital to obtain long term financing on the project. Ballard, Thoennes and Thoennes III will not receive any dividend or distribution of profit until all capital contributions of Roberson have been repaid.
- 7 Ballard will not be required to sign any personal guarantees to obtain financing by the corporation.
- 8 The parties agree that it will be necessary at a subsequent date to execute additional documents to give full validity to this Agreement and that they will mutually cooperate with each other in that regard.
- 9 Ballard further represents and warrants that Warpath is in good standing and that he has authority to enter into this Agreement and that Warpath has no liabilities outstanding.

WYP
D.P.B.
6/10

10 This Agreement shall be binding on the parties hereto, their heirs successors
and assigns

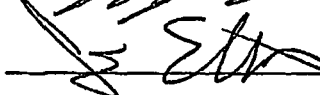
11 No part of this Agreement may be assigned without written consent of all parties

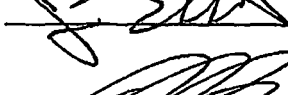
In witness whereof the parties have set their had and seal the day first above written

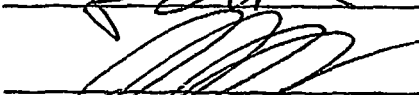
WITNESSES



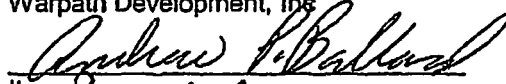


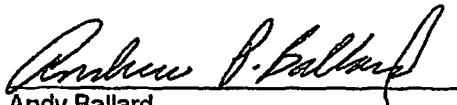




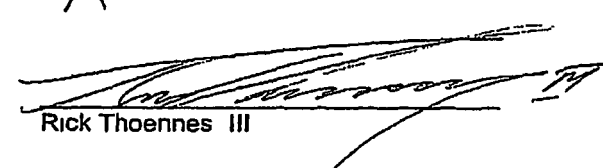



Warpath Development, Inc


Its Pres. dev.


Andy Ballard

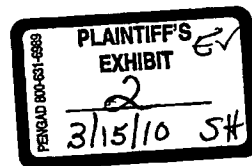

Rick Thoennes


Rick Thoennes III


Tim Roberson

STATE OF SOUTH CAROLINA)
)
COUNTY OF PICKENS)

PUBLIC ACCESS AREA
LEASE AGREEMENT



Site 007641
Land Unit 0057616
Project No 007641 203933

THIS LEASE ('Lease') is made this 03 day of Jan, ~~2006~~ 2007 between APB DUKE ENERGY CAROLINAS, LLC ('Duke'), a North Carolina limited liability company ('Lessor'), and WARPETH DEVELOPMENT, INC a South Carolina corporation (Lessee'),

WITNESSETH

WHEREAS Lessor has been licensed by the Federal Energy Regulatory Commission (' FERC ') to operate the Keowee-Toxaway Hydroelectric Project (FERC NO 2503) (the Project"), which impounds the waters of the Keowee and Seneca Rivers including Lake Keowee in South Carolina, and which Project is subject to regulatory oversight by the FERC and,

WHEREAS, Lessee desires to lease a portion of said Project property on Lake Keowee located at the Warpath Landing Public Access Area for the purpose of constructing and maintaining a public park and/or public recreational area, and

WHEREAS all of said Project property to be leased has been designated as Public Access Areas" under the terms of Lessor's FERC License, and

WHEREAS Lessor desires to accommodate Lessee's construction, operation and maintenance of a public park and/or public recreational area upon the Project property to be leased while at the same time not interfering with Lessor s ability to operate and maintain the Project in accordance with its license, other FERC requirements and its business operations, and,

WHEREAS, Articles 5 18, and 47 of the FERC license for the Project grant Lessor (as licensee of the Project) the authority to grant permission for certain types of use and occupancy of Project lands and waters and to convey certain interests in Project lands and waters for certain types of use and occupancy provided the proposed use and occupancy is consistent with the purpose of protecting and enhancing the scenic, recreation and other environmental values of the Project

NOW, THEREFORE, Lessor for and in consideration of the covenants and leases hereinafter expressed, to be kept and performed by Lessee hereby leases to Lessee and Lessee hereby leases from Lessor the sixty three (63) acres of Pickens County / Warpath Development, Inc Access Area

APB_00077

property located in Pickens County, South Carolina, shown on the map attached hereto as **Exhibit A** and incorporated herein by reference (the "Leased Premises"), pursuant to the following terms and conditions

1 Term This Lease shall begin on the ____ day of _____, 2006 and shall terminate on the 1st day of September, 2046 except that if Lessee is in full compliance with all the terms of this lease, as determined by Lessor, the Lease shall be automatically extended consistent with the terms of any extension of the current FERC license and upon such additional terms as agreed upon by both parties Lessor may terminate this lease at any time if directed to do so by the FERC or its successor agency Lessor may also terminate this lease pursuant to Paragraph 29 herein

2 Disclaimer of Warranties of Conditions Lessee accepts the Leased Premises AS IS" Lessor makes no warranties or representations as to the condition of the Leased Premises or any improvements thereon, whether open and obvious or concealed Lessor makes no representation or warranty express or implied, and will bear no responsibility as to the existing or future water quality or quantity in Lake Keowee or its tributaries or the sufficiency or suitability of the Leased Premises for use as a public park and or public recreation area

3 Rent and/or Other Consideration In lieu of rental payments to Lessor, Lessee shall pay directly to Pickens County South Carolina ("Pickens) the sum of Twelve Thousand Dollars (\$12,000) annually in advance, for each of the initial five years of the Lease term, to be used by Pickens County exclusively to supplement County funding to support public recreation on Lake Keowee, provided however that Lessee is exempt from such payment for the initial two years of the Lease which two year period shall begin with Lessee's marina permit approval and issuance by South Carolina Department of Health and Environmental Control ("SCDHEC") Specifically these funds shall be used to supplement County funding in support of operations maintenance and capital improvement activities at Mile Creek Access Area, Crow Creek Access Area, and other public recreation facilities for which Pickens County is responsible that are also within or adjoining the FERC Project Boundary (Public Access Areas") At the conclusion of each five year period of the Lease, Duke Warpath and Pickens County shall renegotiate and recalculate the amount due to Pickens County under this section by taking the existing sum for the period and increasing it by five percent (5%) and/or other consideration terms for an additional five year period based upon changes in the costs for operation and maintenance of the Public Access Areas The Rent and/or other consideration flowing from Lessee to Pickens County may be in the form of an annual lump sum payment, in-kind services (provided they are approved in advance by Pickens County), or a combination of the two which will be allocated by Pickens County exclusively to support public recreation on Lake Keowee

4 Permitted Uses The Leased Premises shall be used by Lessee for development, operation and maintenance of a public park and/or public recreational area as shown on and described in the Conceptual Plan submitted by Lessee, which is attached hereto as **Exhibit B** and incorporated herein by reference and for no other purpose unless it is a compatible

Pickens County / Warpath Development, Inc Access Area

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use, such as the provision of recreation related goods and services, which may be permitted on site when authorized in advance in writing by Lessor. Any public park and/or public recreation area may include but is not limited to the following types of development:

- a. Public Park or Recreation Areas - Areas that have developed recreation facilities, such as picnic tables and pavilions, nature centers or wildlife viewing areas, pedestrian, bike or horse trails, swimming beaches and bath houses, restrooms, boat launching ramps and fishing piers, primitive and developed campgrounds, cabins and hotel lodging, conferencing facilities, park stores and restaurants, marinas with wet slips, dry stack storage, waste pump out facilities and gas sales (land or water), maintenance and related structures or facilities that directly support park operations and maintenance, living quarters for park personnel, and other related outdoor recreation facilities or amenities; or
- b. Nature Preserve/Research Areas – areas that provide land and promote the development of cooperative partnerships to enable preservation activities, conservation easements and/or research.

Lessor agrees to assist Lessee in its efforts to secure proper permits and certification to effect its Conceptual Plan and further agrees to provide proper and reasonable documentation upon request by proper parties to assist Lessee in obtaining same. Lessor and Lessee further agree that if Lessee is denied permits, or for reasons beyond its control cannot acquire permits or proper certificates to proceed with its Conceptual Plan, Lessee may at its option and by providing written notice to Lessor, cancel this Lease without incurring liability to Lessor.

5. Public Use of Facilities, User Fees and Hours of Operation. Use of any and all public park and public recreation area facilities, including such public service/convenience facilities as restrooms, water faucets, public communications equipment, trash receptacles, etc., constructed or placed on the Leased Premises by the Lessee shall be available for use by all members of the public during the times specified in “**Exhibit C Hours of Operation and User Fees**,” a copy of which is attached hereto and incorporated herein by reference. Lessee shall not implement a specific user fee for public boat launching. Lessee agrees that Lessor’s employees, third party contractor employees, local law enforcement officials, local environmental and public health officials, and local emergency response crews operating in his/her official capacity will be exempt from all nominal user fees. Any proposed changes in the schedule of user fees or hours of operation by the Lessee must be submitted in writing to the Lessor for approval at least sixty (60) days prior to proposed implementation. The proposed changes shall not be implemented until Lessee receives written approval of the proposed changes from the Lessor. Contracts or subleases with third parties regarding the sale of goods or services on the Leased Premises must be submitted to Lessor at least sixty (60) days prior to proposed implementation and shall not be executed until Lessee receives written approval of the contracts or subleases from the Lessor.

Lessee agrees to submit an Annual Operational Report in the form of **Exhibit D** attached hereto and incorporated herein by reference to assist Lessor in its FERC reporting requirements

6 Conceptual Plan Lessee has submitted a Conceptual Plan to Lessor for Lessor's approval which includes both a narrative and graphic description of all facilities to be constructed on the Leased Premises the construction schedule including any planned phasing and projected completion dates Lessee shall not revise the Conceptual Plan including the construction phases and/or schedule without the prior written approval of Lessor, which may be granted or denied in Lessor's sole discretion Major additions or modification will typically require review by other government regulatory agencies and may require FERC approval

Should FERC require additional recreation facilities to be located at the Leased Premises during the Lease term Lessor shall arrange a meeting with Lessee to determine what facilities must be added, where the facilities can be added, an estimated cost for adding the facilities and the timing for construction of the additional facilities Lessor and Lessee will then evaluate their available resources to determine how and when the required additional recreation facilities will be constructed and if those resources will be in dollars in kind services or a combination thereof A revised Conceptual Facilities Plan will be developed based on the results of the meeting Once the Lessee and Lessor are in agreement with the revised Conceptual Plan the parties will enter into a revised lease

7 Joint Annual Inspection Lessor and Lessee shall perform a joint annual physical inspection of the Leased Premises each year for the term of this lease to ensure the Leased Premises are being operated and maintained to acceptable standards

8 Entry by Lessor Lessor its agents and representatives, may enter the Leased Premises at all reasonable times, to examine the same and any such entry by or on behalf of Lessor shall not be or constitute an eviction partial eviction or deprivation of any right of Lessee and shall not alter the obligations of the Lessee hereunder or create any right in Lessee adverse to the interest of the Lessor

9 Maintenance Lessee shall, at its sole expense maintain all existing and new improvements located within the Leased Premises in good repair, including but not limited to, maintenance of those facilities listed in the Conceptual Plan (Exhibit B), any required navigation safety devices and erosion control structures within the Leased Premises and along the shoreline In the event Lessee fails to properly maintain such improvements and facilities, Lessor may terminate this lease and retake possession of the Leased Premises, as set forth in Paragraph 30

10 Signage Lessor shall prescribe all information required by Lessor's FERC License for entrance and regulation signs and Lessee shall fabricate erect and maintain all said signs in accordance with such requirements

11 Illegal and Prohibited Uses Lessee shall not make or permit to be made any illegal or prohibited use of the Leased Premises or any use thereof constituting a public nuisance, shall keep the Leased Premises in a neat and orderly manner, and shall comply with all applicable building codes and health regulations and rules and regulations of any and all applicable government authorities All water and sanitary sewer facilities shall be designed, installed, constructed, maintained and operated only with the approval of the applicable government authority Prohibited uses under the terms of the Lease include but are not limited to the following

- a) Sale of drugs or other illegal controlled substances
- b) Gambling (e g installation of video gaming machines that pay off),
- c) Creation or installation of firearm or shooting ranges
- d) Limiting facility access to predetermined user groups (for example, only slip owners may use the restroom facilities)

12 Fire Protection In the event of a fire within or threatening to any facility or adjacent lands within the Leased Premises Lessee agrees to assist Lessor with the protection of the park or recreation area against such fire

13 Approval by FERC This Lease is subject to the review and approval of Federal, State, and local agencies and FERC prior to execution

14 Portions of Leased Premises Subject to FERC Oversight As to those portions of the Leased Premises designated as Public Access Areas under the terms of Lessor's license for the Project and being shown and designated 'FERC Project Area' on the FERC Keowee Toxaway Development Plans Lessee agrees that its use of the Leased Premises will comply with FERC Order No 313 a copy of which is attached hereto as **Exhibit E** and incorporated here in by reference, and all regulations or directives issued by the FERC Lessee s use of the aforesaid lands will not endanger health or safety, create a nuisance or otherwise be incompatible with the overall recreational use of the Keowee Toxaway Hydroelectric Project, FERC Project No 2503 Failure by Lessee to maintain and operate the FERC required facilities and areas of the Leased Premises to the standards reasonably required by the FERC shall constitute a default under the terms of this lease pursuant to Paragraph 29

15 Compliance with State, Federal and Local Laws Lessee agrees that its use of the Leased Premises as herein provided will be consistent with all FERC orders and regulations regarding recreation opportunities and development at licensed projects and all other applicable state, federal and local laws as well as all ordinances, rules, regulations and

Pickens County / Warpath Development Inc Access Area

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sanctions of any regulatory body or governmental agency (state, federal or local) having jurisdiction in the Leased Premises. Lessee's use of the Leased Premises will comply with all applicable Duke Shoreline Management Guidelines and will not endanger health or safety, create a nuisance or otherwise be incompatible with the overall recreation use of the Project. Upon request by Lessor, Lessee shall re-enter the Leased Premises at any time after the termination or expiration of this Lease and perform such operations necessary for compliance with then applicable law, ordinances or regulations in force as of the termination date. Lessee shall be relieved of any responsibility for compliance under this Paragraph 15 if during the Lease term Lessor causes noncompliance by changing conditions upon the Leased Premises, including but not limited to, land use patterns, or causing or allowing any third party to do so.

16 Protection of Environment All necessary precautions shall be taken during construction and subsequent operation and maintenance of all facilities to protect and enhance the scenic, environmental, recreational and cultural values of any affected lands and waters of the Project.

17 Archaeological Resources If any archaeological resources are discovered during construction or maintenance activities, such activities shall be halted and the State Historic Preservation Officer shall be contacted to determine what measures, if any, are needed to protect or salvage the resources and Lessee shall notify the Lessor. Written notice shall be given to Lessor and all other appropriate agencies of any such discovery and the measures being implemented, if any are required.

18 Watercraft Lessee shall require that any watercraft more than twenty (20) feet in length or more than ten (10) feet in width moored within or attached to the Leased Premises must have affixed thereto a certification label indicating that same was manufactured in compliance with the Federal Boat Safety Act of 1971. Excepted from this requirement are watercrafts in safe condition manufactured prior to the effective date of the Federal Boat Safety Act of 1971.

19 Sanitation Lessee must install a commercially manufactured marine sewage pump out system if the Lessee permits any one of the following: 1) the sale of boat fuel within the project boundary; 2) a total number of boat docking locations greater than or equal to sixty-five (65), or 3) the mooring of twenty-five (25) or more watercraft with Marine Sanitation Devices (MSDs) with a fixed holding tank. The Lessee may be exempted from this requirement if Lessee provides written documentation from a state or local agency having jurisdiction regarding waste disposal that the facility cannot be permitted to dispose of waste collected from watercraft to the satisfaction of applicable regulations. Lessee shall maintain sanitation facilities as a regular and customary service for pump and or deposits of waste.

20 Utility Easement Lessor for itself, successors and assigns reserves the right and privilege to build, construct, maintain and operate electric distribution and/or transmission lines on, over, and above the Leased Premises, and to erect,

construct reconstruct, replace, maintain and use towers, poles, wires cross arms and other appliances and fixtures for the purpose of transmitting or distributing electric power for Lessor's communication purposes, and for any other purpose that is, in Lessor's sole discretion, consistent with its business operations, together with the right to keep said lines appliances, and fixtures free of structures, trees and other objects that may endanger or interfere with same Lessor will notify and consult with the Lessee as to the plans for the construction of any buildings or structures to be placed within the Leased Premises necessary to conduct Lessor's business

21 Reservation of Use The right to use the Leased Premises for Project purposes (not inconsistent with the activities and purposes of this Lease) is hereby reserved to the Lessor its successors and assigns

22 Reservation of Authority No terms or conditions herein contained shall be construed as limiting or affecting in any way the authority of Lessor in connection with its exercise of proper protection and administration of the Public Access Areas or its FERC license

23 FERC License Conflicts This Lease is subject to the terms and conditions of the license issued by the FERC for the Project In the event of any conflict between the terms and conditions of this Lease and the terms of the license it is agreed that the terms of the license shall prevail

24 Transfer or Assignment The Lessee may not transfer or assign this Lease or sublease the whole or any part of the Leased Premises to any third party or parties without the prior written consent of the Lessor Lessor understands and agrees that Lessee may sublease portions of the Leased Premises for facility development, operation and/or maintenance and hire third parties to manage certain facilities in accordance with the Conceptual Plan (**Exhibit B**) as provided in Paragraph 5 herein However Lessee will at all times be considered as owner of the facilities and the entity ultimately responsible for construction operation and maintenance of the facilities described in the Conceptual Facilities Plan, and no sublease or assignment hereunder shall diminish Lessee's responsibility to Lessor hereunder

25 Taxes and Assessments Lessee shall be responsible for all ad valorem property taxes (real or personal) or payments in lieu thereof as may be due during the lease term on the Leased Premises and for any buildings or improvements thereon including the personal property of Lessee

26 Insurance by Lessee Lessee agrees that, at its own cost and expense, it shall obtain and maintain in force during the term of this Lease the insurance policies listed in Attachment 1 a copy of which is attached hereto and incorporated by reference as if more fully set forth herein and shall require any subcontractors doing work on the Leased Premises to obtain and maintain in force the requirements of Attachment 1, Items 5 and 6

27 Hazard Insurance Lessee shall also, at all times during the term of this Lease keep all improvements which are now or hereinafter a part of the Leased Premises insured against loss or damage by fire and the extended coverage hazards for one hundred percent (100%) of the full replacement value of such improvements Any loss adjustment shall require the written consent of both Lessor and Lessee In the event any improvements upon the Leased Premises shall be damaged or destroyed by fire or other casualty, then Lessee shall promptly restore same to the condition existing before such loss or damage

28 Hazardous Materials Lessee shall comply with the following

a) Lessee shall not bring to or handle store, dispense transport or locate on or about the Leased Premises any chemical substances, asbestos oil, gasoline other petroleum products formaldehyde PCBs, or any toxic, carcinogenic, radioactive or hazardous wastes, materials substances or contaminants (known collectively 'Hazardous Materials'), without Lessor's prior written authorization

b) While handling transporting or storing any Hazardous Materials on or about the Leased Premises, Lessee shall act in full compliance with all applicable federal, state and local laws, ordinances and regulations

c) Lessee shall give Lessor immediate written notice of any problem, spill, discharge or threatened discharge of, or relating to, Hazardous Materials on or about the Leased Premises and of any private or governmental investigation relating to Hazardous Materials on or about the Leased Premises Lessor shall have the right to participate in and approve any environmental assessment or environmental clean up plan for the Leased Premises

d) Lessee its employees, agents and contractors shall fully cooperate with any and all federal, state and local governmental officials having jurisdiction over the Leased Premises in resolving any environmental problem

e) Lessee's failure to comply strictly with the provisions and mandates of this Paragraph shall constitute a breach of this lease, entitling Lessor to terminate this lease and to exercise any other rights and remedies available to Lessor hereunder or otherwise

29 Default The following events ('Events of Default') shall be deemed to be events of default by Lessee under this Lease

a) If Lessee shall fail to pay any sum of money payable hereunder on the date the same is due and such failure shall continue for a period of sixty (60) days after due written notice thereof to Lessor or

b) If Lessee fails to comply with any term, provision or covenant of this Lease other than the payment of any sum of money, and shall not cure such failure within sixty (60) days after due written notice thereof to Lessee provided, however if Lessor in its sole discretion determines that such failure

cannot be cured within sixty (60) days Lessee shall be in default under this lease if Lessee fails to commence to cure such failure within the same sixty (60) day period or thereafter fails to act to diligently and promptly cure such failure, or

c) If Lessee voluntarily discontinues or voluntarily ceases to use the Leased Premises and the Improvements for the permitted use or closes its operations on the Leased Premises for any period greater than ninety (90) days, or

d) If Lessee falls behind schedule on the construction of facilities approved as part of the Conceptual Plan (~~Exhibit B~~) and fails to notify Lessor and follow the requirements set out in this Lease or

e) Any other event of default specifically addressed in the paragraphs contained herein

Upon the occurrence of an Event of Default hereunder Lessor shall be entitled to pursue any one or more of the following remedies without notice or demand

- a) Terminate this Lease and Lessee's right of possession of the Leased Premises in which event Lessee shall immediately surrender the Leased Premises to Lessor, and if Lessee fails to do so Lessor may without prejudice to or any other remedy which it may have for such Event of Default enter upon and take possession of the Leased Premises and expel or remove Lessee and any other person or entity who may be occupying the Leased Premises or any part thereof by force if necessary without being liable for prosecution or any claim for damages therefore
- b) Without having terminated this Lease, terminate Lessee's right of possession of the Leased Premises by force if necessary without being liable for prosecution of any claim for damages therefore, and perform Lessee's obligations under this Lease, and Lessee shall reimburse Lessor upon demand for any expenses which Lessor may incur in effecting compliance with the terms of the lease and Lessor shall not be liable for any damages resulting to Lessee from such actions
- c) Bring suit for the collection of any amounts for which Lessee is then in default, or for the performance of any other covenant or lease by which Lessee is bound, with or without entering into possession or terminating this Lease
- d) In the event Lessor elects to terminate this Lease by reason of the occurrence of an Event of Default, this Lease shall terminate and come to an end as if that were the date originally fixed herein for the expiration of the Term hereof Notwithstanding such termination, Lessee shall be liable for and shall pay to Lessor all indebtedness accrued hereunder to the date of such termination
- e) In case of any Event of Default or breach by Lessee, Lessee shall also be liable for the costs of removing and storing Lessee's or any other occupant's personal property, and all expenses incurred by Lessor in enforcing or defending Lessor's rights and/or remedies including reasonable attorney's fees

It is expressly agreed and understood that violation of any of the covenants conditions, terms or provisions of this Lease by Lessee shall terminate this Lease at the option of the Lessor Failure of Lessor to exercise any of said rights of Lessor under this Lease shall not be construed as a waiver or abandonment of the right thereafter to exercise any or all of same In the event that the Lessor terminates this Lease under any of the above written conditions the Lessor may enter the Leased Premises and expel the Lessee there from or the Lessor may in lieu thereof or in conjunction therewith, pursue any other lawful right or remedy incident to the relationships created by this Lease Lessor must give sixty (60) days' notice in writing to Lessee of its intent to terminate, except that only thirty (30) days written notice shall be required for termination for nonpayment of rent or taxes Lessee shall have the right to cure any violation during said sixty day (or thirty day as the case may be) notice period in which event Lessor may not terminate this Lease

In the event that this Lease is terminated by Lessor for any reason other than those listed as 'Events of Default' above or expires all buildings, improvements fixtures and other items of real property shall become the property of the Lessor Lessor, however shall reimburse Lessee for its contribution to this Lease and its actual cost for all capital improvements based on a life expectancy and depreciation schedule agreed to by Lessor and Lessee once the capital improvement total cost has been determined and a depreciation schedule has been developed and before the facilities have been installed on site At the option of Lessor, Lessee shall remove all personal property within thirty (30) days of the termination or expiration of the Lease as directed by Lessor, Lessor may at its option retain and use any portion of same or remove and dispose of any portion of same without liability to Lessor and shall be reimbursed by Lessee for its cost thereof

30 Surrender of Lease The voluntary or other surrender of this Lease by Lessee or a mutual cancellation thereof shall not work a merger and shall at the option of Lessor terminate all or any existing subleases or sub tenancies or may at the option of Lessor, operate as an assignment to it of any or all such subleases or sub tenancies

31 Condemnation If the whole or any part of the Leased Premises is taken or condemned by any competent authority for any public use or purpose then this Lease shall automatically terminate as to the portion taken as of the date said title shall be taken If a portion of the Leased Premises shall be taken so as to render the remainder thereof unusable for the purpose for which the Premises were leased then this Lease shall terminate as of the date said title shall be taken In the event that any portion of the Leased Premises shall be taken or this Lease shall be terminated as a result of a taking of the whole or a portion of the Leased Premises Lessee shall have no claim against Lessor for the value of any unexpired portion of the lease term Lessor shall be entitled to the entire award given including any special damages except that, as to any portion of payment received by way of just compensation which is attributable to the value if any of any capital improvements, taken or damaged, Lessee shall be entitled to receive a pro-rata share thereof based on the percentage that

its funding contribution therein bears to the total capital costs thereof. In the event that either party should disagree with the valuation given within any award to any improvements taken or damaged, or be unable to agree between themselves as to such value, the parties agree to arbitrate such question of valuation and to apportion their award so as to separately set forth the contributing value if any of each improvement taken or damaged.

32 Severability The provisions hereof are independent covenants and should any provision or provisions contained in this lease be declared by a court or other tribunal of competent jurisdiction to be void, unenforceable or illegal then such provision or provisions shall be severable and the remaining provisions hereof shall remain at Lessor's option in full force and effect.

33 Indemnity Lessee covenants to indemnify and save harmless Lessor from and against any and all claims, liability, loss or damage, arising from any conduct, work or thing done under the terms of this Lease to include injury or damage to any person or persons, including Lessor, or to the property of any person, or persons or corporations occurring on or within the Leased Premises which are the subject of this Lease, as the result of any activity of Lessee, its agents, employees, or any other person or entity under the direction of the Lessee, and for any protection, mitigation and enhancement measures or activities required by FERC or its successor agency in connection with the activities conducted by Lessee hereunder.

34 Limitation of Liability Lessor and Lessee agree to warrant that any and all work performed within the Leased Premises will be performed with professional thoroughness and using acceptable standard business practices. Lessor's total cumulative liability to Lessee for claims of any kind whether based on contract, tort (including strict liability and negligence except for gross negligence or willful misconduct on part of Lessor) under any warranty or otherwise for any loss or damage relating to this Lease, shall in no case exceed the cost of completing the work in accordance with acceptable business practice, and Lessee releases Lessor from all further liability in excess of this amount for any work performed under this Lease. Lessee further releases Lessor from any and all liability resulting from any injury of any employee of Lessee or anyone performing any service at the direction of the Lessee on the Leased Premises, excluding any acts of willful misconduct of the Lessor.

Neither party shall be liable whether based on contract, tort (including negligence and strict liability), under any services or work performed relating to this Lease, for any consequential, indirect, special, or incidental loss or damage any damage (except to the extent damage resulted from willful misconduct) to or loss of any property or equipment.

This limitation of, or protection against liability shall also protect directors, officers, members, employees, agents, consultants, suppliers, subcontractors, parents, subsidiaries, and affiliates of the Lessor and shall apply regardless of the fault (excluding willful misconduct), gross negligence or strict liability of the respective party.

Lessee waives and will require its insurers to waive all rights to recovery and claims of any kind, including rights and claims to which its insurers or another may be subrogated, against Lessor arising out of damage to, loss of or loss of use of any Lessee's property located on the Leased Premises whether based on contract, tort (including strict liability and negligence except for gross negligence or willful misconduct on part of Lessor) under any warranty or otherwise. These waivers are effective as to all damages to or losses of use of property arising out of or relating to this Lease or deficiencies in the services provided hereunder and Lessee hereby covenants that no such action or claim shall be brought by or through Lessee on any theory whatsoever. In the event Lessee or its insurers recover damages from a third party for losses or damages to which the foregoing waivers apply, Lessee shall indemnify and hold Lessor harmless against any liability for any such losses or damages which said third party recovers from Lessee and any expenses (including attorney fees and other cost of investigation and defense) related hereto. **The limitation of liability in this provision shall apply notwithstanding any other provision of this Lease**

35 Flooding Lessor reserves the unlimited right to back or flood the waters of Lake Keowee and its tributaries from time to time and at any and all times over and upon the Leased Premises or any portion of the same to such extent the flooding may be necessary in connection with the practical operation of its hydroelectric power plants located or to be located in the future upon the Lake Keowee. Lessor shall give Lessee as much notice as possible if flooding is necessary in order to give Lessee reasonable time to make proper arrangements and minimize loss. Lessee agrees that any damage it may suffer as a result of such flooding shall not be claimed or charged against Lessor. Lessee hereby waives all claims against Lessor for damages resulting from floods that may occur on the Seneca or Keowee Rivers or any tributary thereof.

36 FERC Project Restoration Lessor shall be under no obligation to Lessee to maintain or continue to operate the Project and should said Project be damaged, destroyed or removed, the Lessor shall be under no obligation to restore or rebuild same, and Lessee hereby waives all claims against Lessor for damages to or destruction or removal of the Project.

37 Parties Bound The covenants and conditions herein contained shall, subject to the provisions as to assignment, transfer and sub leasing, apply to and bind the heirs, successors, executors, administrators and assigns of all the parties hereto, provided, however, that neither this lease nor any provisions therein may be assigned by Lessee except with the prior written consent of the Lessor as provided in Paragraph 24.

38 Survival Lessee's indemnity obligations under Paragraph 33 shall survive the termination or cancellation of this Lease and shall remain in effect.

39 Recovery of Fees and Costs If any action is taken by Lessor to enforce any provision, covenant or agreement contained in this Lease or if Lessor is required to retain an attorney to enforce any provision, covenant or agreement

Pickens County / Warpath Development, Inc. Access Area

APB_00088

contained in this Lease (including, without limitation, the payment of rent due hereunder or the removal of any encroachment constructed on the Leased Premises in violation of the Lease) then Lessor shall be entitled to recover from Lessee all Lessor's reasonable attorneys' fees and court costs incurred in such action and/or enforcement

40 Notices Wherever in the Lease it shall be required or permitted that notice be given by either party to this Lease to the other, such notices must be in writing and must be given personally or forwarded by certified mail addressed as follows

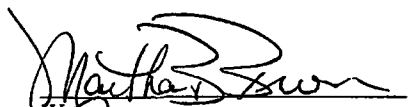
To Lessor Duke Energy Carolinas, LLC
Lake Services, EC12Q
P O Box 1006
Charlotte, NC 28201-1006

To Lessee Warpath Development, Inc
P O Box 24234
Greenville SC 29616

Such addresses may be changed from time to time by notice given hereunder

IN WITNESS WHEREOF the parties hereto have caused this instrument to be executed this the day and year first above written

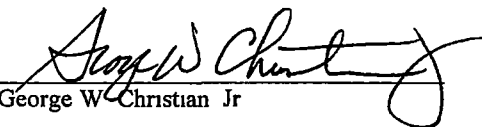
[SIGNATURES BEGIN ON FOLLOWING PAGE]


Witness

Witness

LESSOR

Duke Energy Carolinas, LLC,

By 
Name George W. Christian Jr

Pickens County / Warpath Development, Inc Access Area

APB_00089

Title Manager Real Estate Acquisitions and Valuations

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, ROBERT J EARLEY, a Notary Public for said State and LINCOLN County, certify that George W Christian Jr personally came before me this day and acknowledged that he is Manager Real Estate Acquisitions and Valuations of Duke Energy Carolinas, LLC a North Carolina limited liability company, , and that he as Manager, Real Estate Acquisitions and Valuations being authorized to do so, executed the foregoing on behalf of the limited liability company

WITNESS my hand and official seal this 21st day of DECEMBER, 2006

My Commission Expires FEBRUARY 28,
2007

Robert J Earley
Printed Name ROBERT J EARLEY
Notary Public

[NOTARIAL SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

LESSEE

Leann L. Cuvil
Witness
Trickia Hemmings
Witness

WARPATH DEVELOPMENT, INC

By Andrew P Ballard
Name Andrew P Ballard
Title President

Pickens County / Warpath Development, Inc Access Area

APB_00090

STATE OF South Carolina,

COUNTY OF Greenville,

ACKNOWLEDGMENT

This instrument was acknowledged before me this 3 day of January, 2006, by
Andrew P. Ballard (name of officer) as President
(title of officer) of Warpath Development Inc a South Carolina corporation, on behalf of the corporation

WITNESS my hand and official seal this 3 day of January, 2006

My Commission Expires _____

~~My Commission Expires March 22, 2012~~

Stephanie Cohens
Printed Name Stephanie Cohens
Notary Public

[NOTARIAL SEAL]

12/18/2006

**Insurance Coverage and Limits For
Warpath Development, Inc.
ATTACHMENT A**

- 1 At its own expense, and without limiting its indemnity obligations under the Agreement, Lessee shall secure and maintain during the term of the Agreement the insurance coverages listed in Item #4, in accordance with this Agreement in forms and with insurance companies qualified to do business in all states where work will be performed. Required insurance (as described herein) shall be provided by companies that have a minimum A.M. Best Rating of A- VII.
- 2 All insurance shall have or be subject to the following terms and conditions:
 - a. Lessee shall deliver to Lessor certificates of insurance prior to work beginning. Certificates of each renewal of the insurance shall be delivered promptly after renewal. Acceptance of a certificate that does not comply with this Agreement shall not operate as a waiver of any of this Agreement's obligations.
 - b. The policies shall each contain a provision that coverages will not be cancelled, not renewed or materially modified unless at least thirty (30) days' prior written notice has been given but, in any event, if Lessee is aware of any such cancellation, reduction in coverage or non-renewal, Lessee shall provide written notice to Lessor of such action within five (5) business days of receipt of notice of any such action from its carrier.
 - c. Lessee shall name Lessor as an additional insured, using Insurance Services Office, Inc. (ISO) additional insured (CG 20 10) or equivalent, under all required policies of liability insurance (except Worker's Compensation Insurance). All policies shall include waivers of any right of subrogation of the insurers using standard ISO forms.
 - d. All policies of insurance required hereunder shall be endorsed or shall otherwise provide that Lessee's insurance shall be primary with respect to their own acts or omissions and not be in excess of, or contributing with, any insurance maintained by Lessor.
 - e. Umbrella Insurance may be used to satisfy the limit requirements for Employer's Liability Insurance, Commercial General Liability Insurance, and Comprehensive Automobile Liability Insurance set out in Item #4 below. Such umbrella policy shall follow the form of those primary coverages, be in excess of those underlying policies without gaps in limits and provide coverage as broad as the underlying.
- 3 Lessee will be responsible for their own respective deductibles, self-insured retentions, and self-insurance under its insurance program. Should Lessee fail to provide or maintain any insurance required hereunder, Lessor may then obtain general liability insurance against any and all claims for injuries to persons or damage to property occurring on the Leased Premises, during the balance of the term of this Lease, in the amounts hereafter provided, whereupon Lessee shall reimburse Lessor annually within forty-five (45) days following Lessor's presentation to Lessee of copy of the invoice showing Lessor's premium for the current year.

APB_00092

**Insurance Coverage and Limits For
Warpath Development, Inc
ATTACHMENT A**

4	Coverage Type	Minimum Coverage Limits
a)	Workers' Compensation <i>Any Lessee who does not carry Workers' Compensation coverage must give Lessor a letter stating that they are exempt from the law and will hold Lessor harmless from all injury except those injuries resulting from Lessor's gross negligence</i> Employers Liability	Must meet statutory requirements of each state in which the Services are to be performed and any other state in which Lessee operates Each accident for bodily injury \$1 000,000 Policy limit for bodily injury by disease \$1 000 000 Each employee by disease \$1 000 000
b)	Commercial General & Excess Liability Insurance having standard coverages offered under an ISO form CG-00-01 (10/01) or equivalent. If ISO CG-00-01 (10/01) or equivalent is not used, the policy must include the following coverages ▪ Premises – Operations ▪ Products Liability/Completed Operations ▪ Broad Form Property Damage ▪ Contractual Liability (Broad Form) Including 3rd party coverage ▪ Explosion Collapse and Underground ▪ Hazard and Personal Injury with Employee Exclusion and Contractual Exclusion deleted.	\$2,000,000 per occurrence
c)	If vehicles will be used Business Automobile & Excess Liability Insurance on ISO form (CA 00 01) or equivalent. Must include coverage for ☐ Owned motor vehicles ☐ Hired motor vehicles, and ☐ Other non-owned vehicles	Combined single limit of liability of \$1 000,000 per occurrence
d)	If Lessee will serve or sell alcohol at the Project property, Lessee will provide liquor liability coverage	\$1,000,000 per occurrence

APB_00093

**Insurance Coverage and Limits For
Warpath Development, Inc
ATTACHMENT A**

- 5 Upon Lessee contracting with an entity for the purpose of constructing any facilities on the Leased Premises, Lessor shall be named as an additional insured on all insurance policies (except Workers Compensation) covering the scope of such activity prior to the commencement of any activity by Lessee, its agents or contractors and shall include a waiver of any rights of subrogation of the insurers against Lessor. Any contractor or subcontractor performing work on property that is the subject of this Lease shall have in place prior to commencement of any activity and during the performance of any activity, the types of insurance and minimum coverage limits listed in Item #6 below

6	Coverage Type	Minimum Coverage Limits
a)	Workers' Compensation <i>Any Lessee who does not carry Workers Compensation coverage must give Lessor a letter stating that they are exempt from the law and will hold Lessor harmless from all injury except those injuries resulting from Lessor's gross negligence</i> Employers Liability	Must meet statutory requirements of each state in which the Services are to be performed and any other state in which Lessee operates Each accident for bodily injury \$ 500 000 Policy limit for bodily injury by disease \$ 500 000 Each employee by disease \$ 500 000
b)	Commercial General & Excess Liability Insurance having standard coverages offered under an ISO form CG-00-01 (10/01) or equivalent If ISO CG-00-01 (10/01) or equivalent is not used the policy must include the following coverages ▪ Premises – Operations ▪ Products Liability/Completed Operations ▪ Broad Form Property Damage ▪ Contractual Liability (Broad Form) Including 3rd party coverage ▪ Explosion, Collapse and Underground ▪ Hazard and Personal Injury with Employee Exclusion and Contractual Exclusion deleted.	\$2,000,000 per occurrence
c)	If vehicles will be used Business Automobile & Excess Liability Insurance on ISO form (CA 00 01) or equivalent. Must include coverage for ☐ Owned motor vehicles, ☐ Hired motor vehicles, and ☐ Other non-owned vehicles	Combined single limit of liability of \$1,000,000 per occurrence
d)	Contractor's Pollution Liability Coverage	\$1,000,000 per occurrence

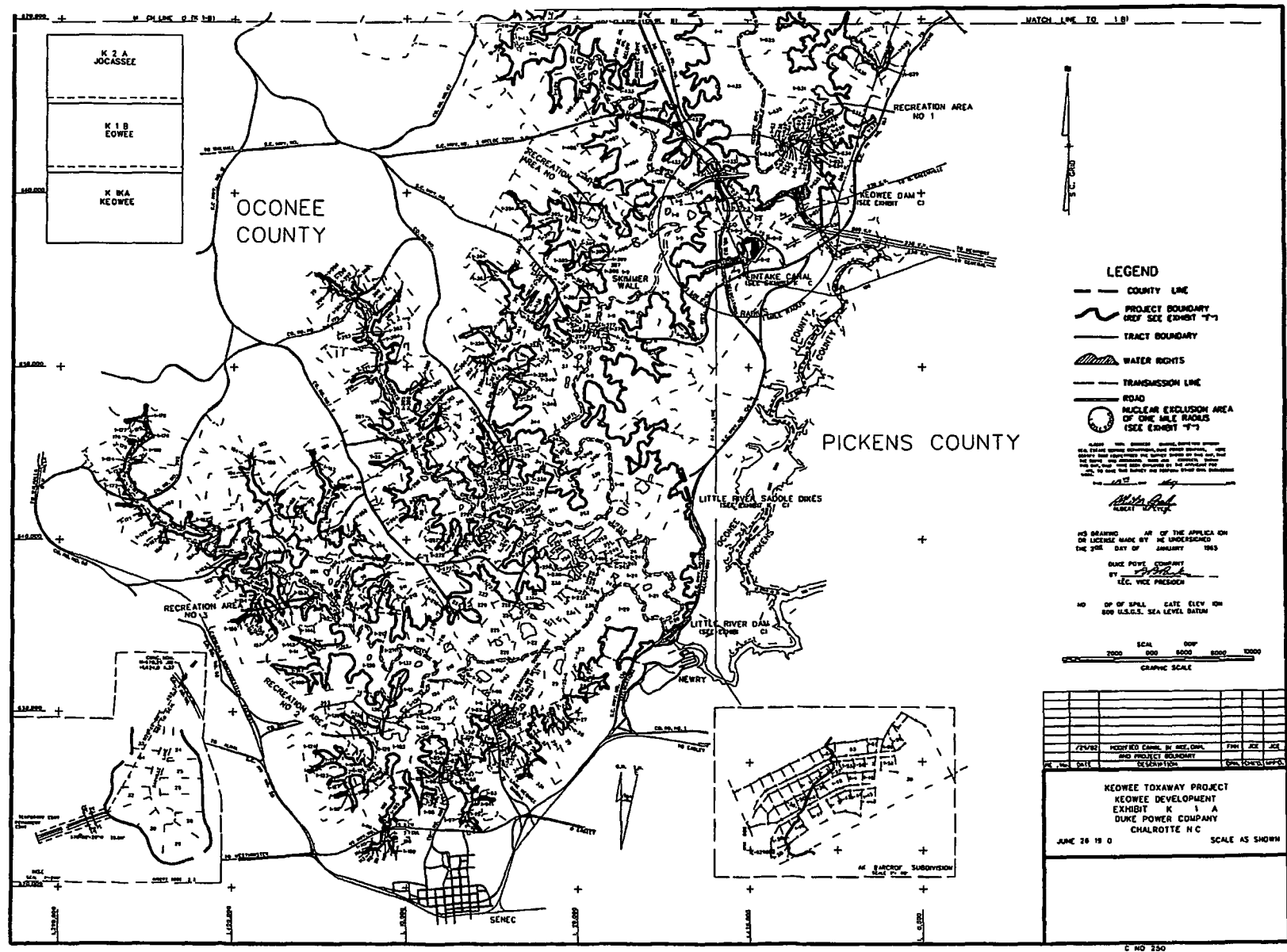
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APB_00094

EXHIBIT A

Property Map

APB_00095



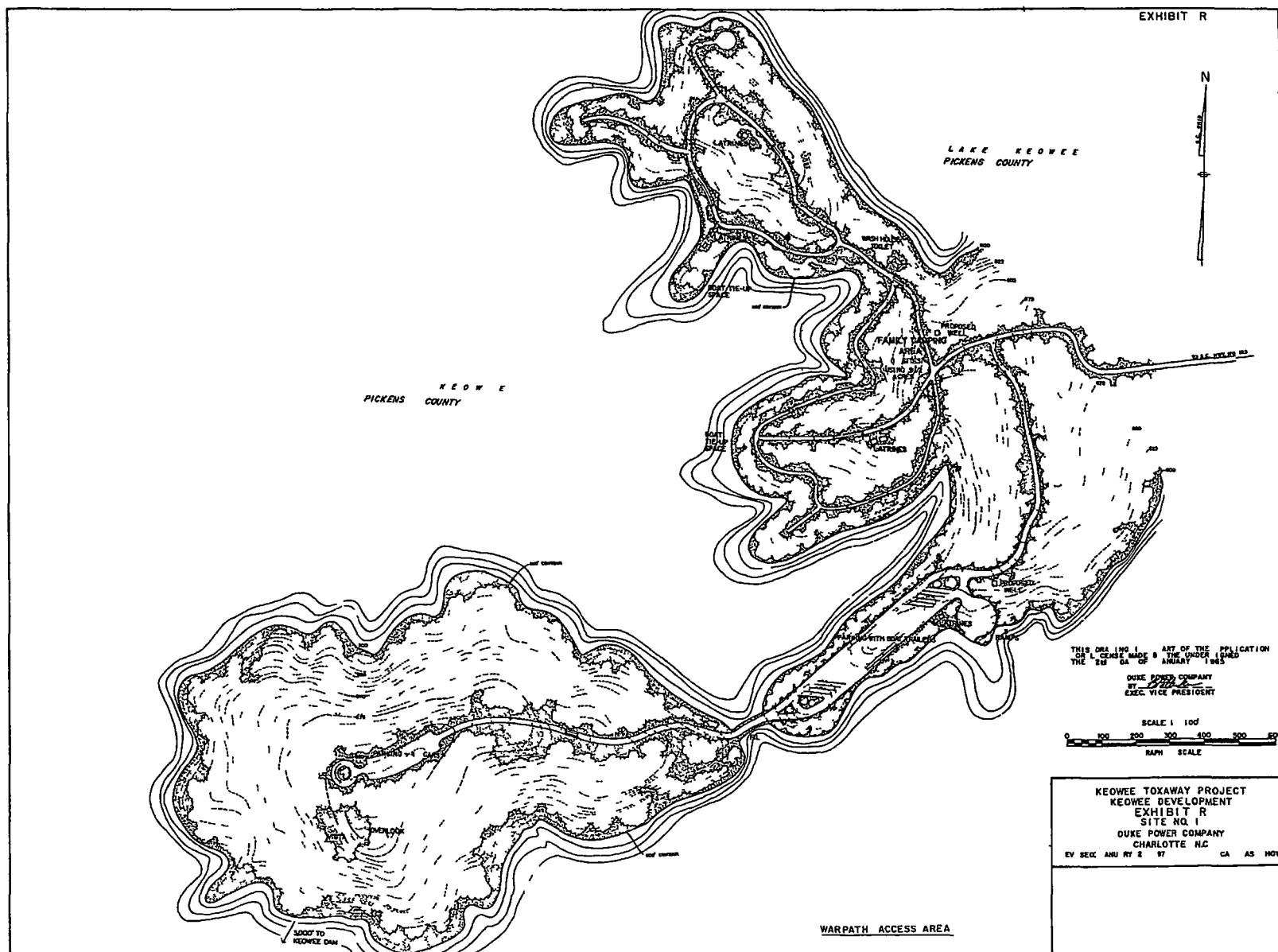


EXHIBIT B

CONCEPTUAL PLAN FOR WARPATH LANDING

APB_00098

Conceptual Plan
for

Warpath Landing

Public Access Area
for

Lake Keowee

Prepared by

The Ellis Group P A
220 N Main St Suite 325
Greenville, SC 29601
864 235 7464

APB_00099



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Introduction

The proposed development is a preliminary plan for a 56 acre tract of property on the eastern shore of Lake Keowee in Pickens County South Carolina

The main objective of this proposal is to create an environment for many types of outdoor recreation that are related to the natural surroundings of beautiful Lake Keowee. This development would provide recreation opportunities for the general public enhancing the quality of life for Pickens County residents as well as visitors. At present such a facility is not available. This development would therefore create new tourism opportunities and consequently economic good for the area as well.

In reviewing this proposal it is important to understand that this is a preliminary study of the possibilities of the site. All consideration for proper permitting as required by all applicable agencies will be made throughout the process of the entire project. Naturally the structures and amenities proposed would be subject to all local state and federal regulations.

The Site

The pristine site of Warpath Landing features lovely views to the North West and South. The northern views are particularly exciting with a spectacular view of the Blue Ridge Mountains. A primary design goal is to capture these views throughout the development. Additionally, it is the plan of the developer to respect the natural ecological environment of Lake Keowee in every way possible and to actually enhance the natural beauty of the site.

The site is heavily wooded, containing trees of many varieties. The terrain is fairly steep, varying in places to a more shallow grade. Another design goal is to utilize the contours of the site for recreation purposes to the fullest potential and thus offering several venues for recreation of varying nature.

Another design goal is to respect the history of this particular site. It is a unique history involving the Cherokee Indians, early American settlers as well as the British. In developing the future direction for the site, this proposal calls for consideration to retain a memory of the past history of this area.

The following program considers these possibilities as well as the many practical considerations to create a place fully reflecting a flavor and character of Pickens County and this particular site. This project has the potential to enhance the quality of life for many people for generations to come.



Aerial Photograph

5

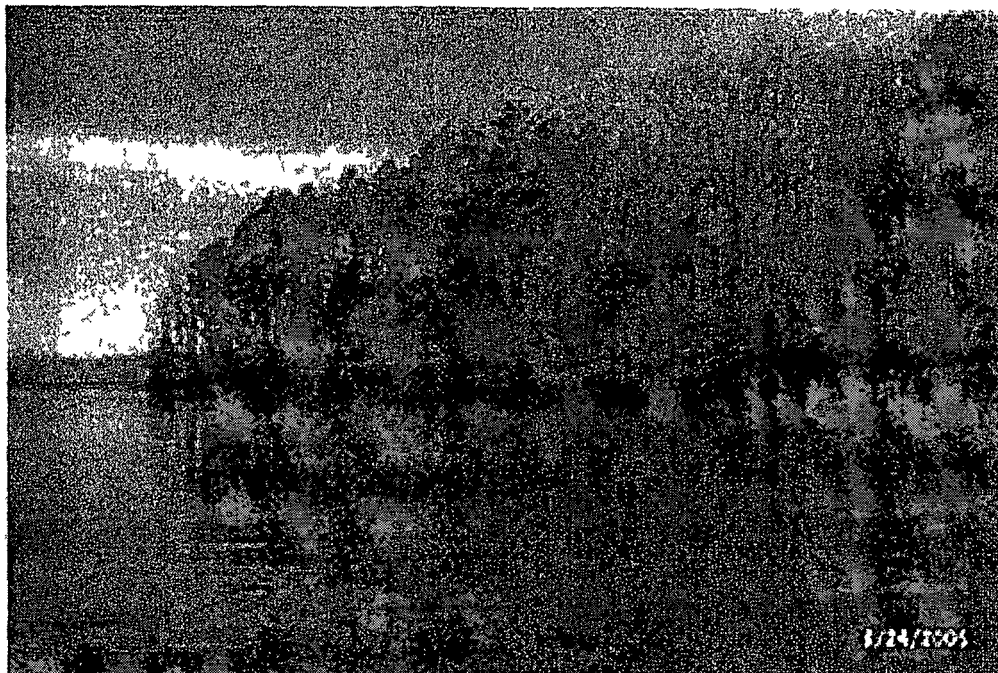
APB 00103



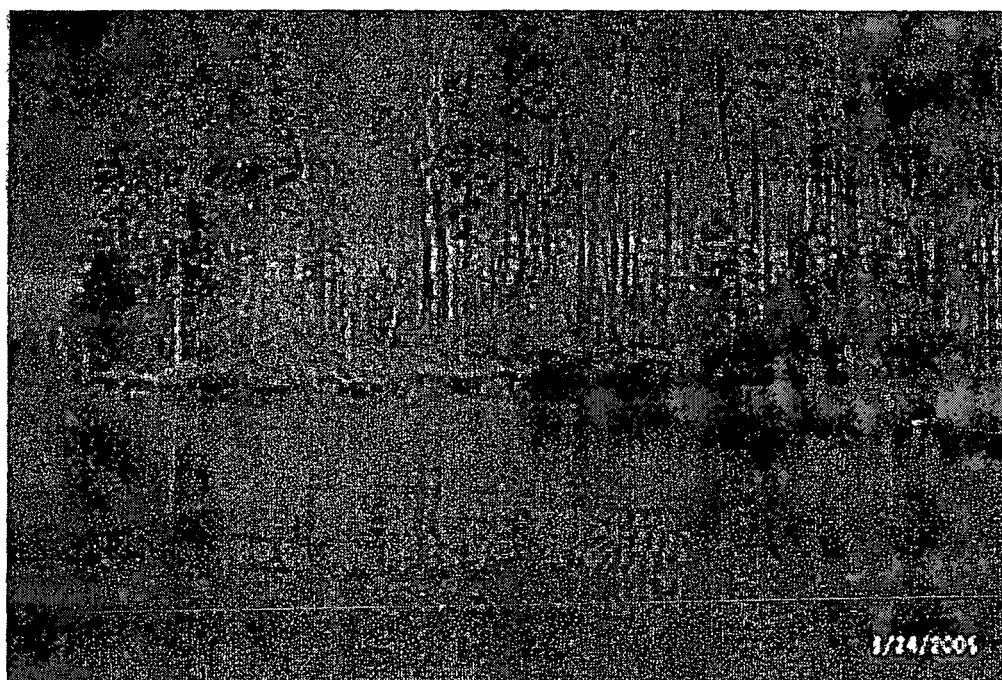
Contour Map

6

APB_00104



looking North up Lake Keowee with
mountains in the background

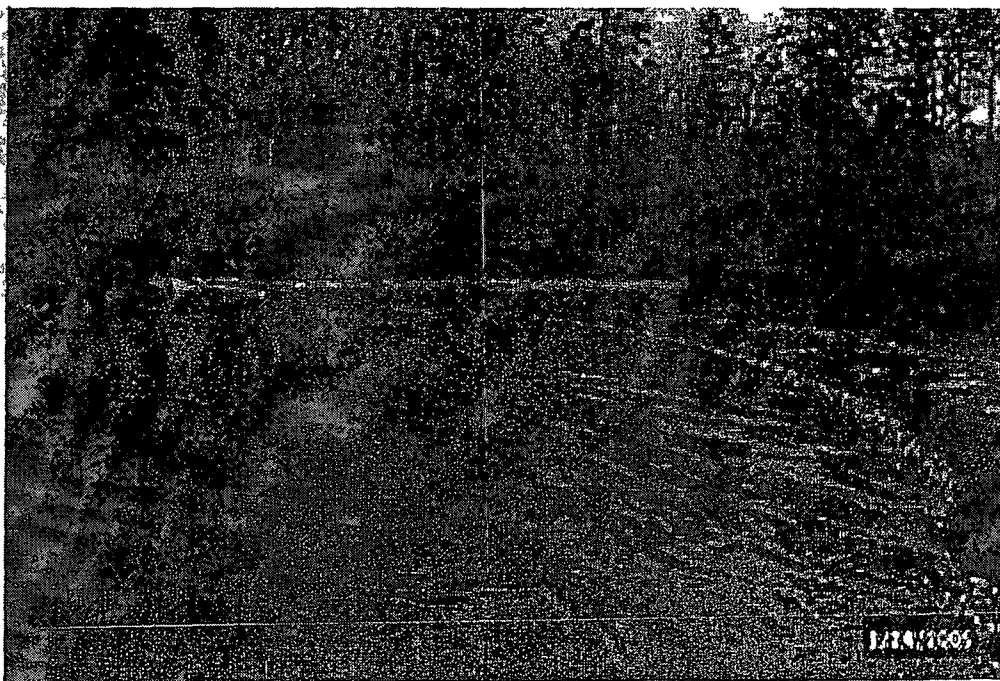


North towards camping peninsula

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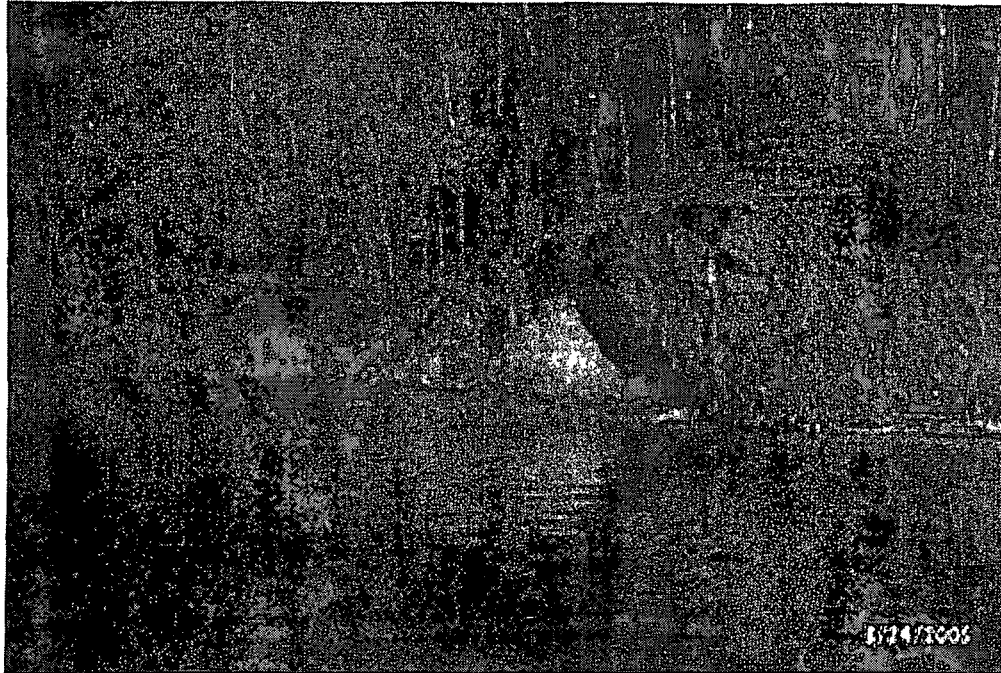


North by Marina Point
towards camping area

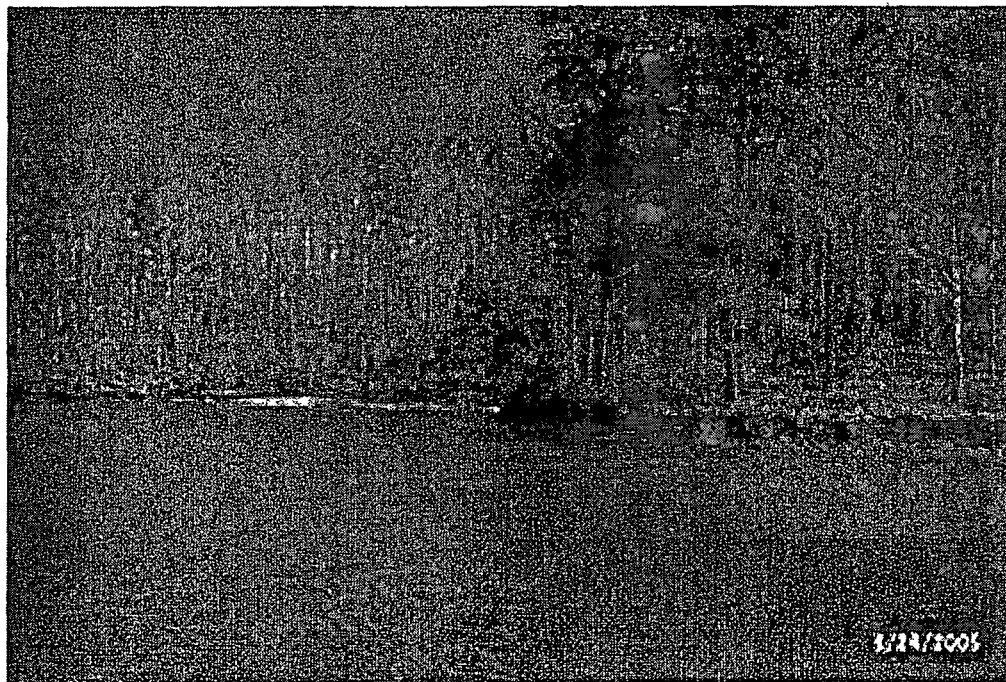


East towards swimming area

APB_00106



North towards Lodge area



North towards camping area

APB_00107

Historic Context

A brief look at some features of this land and its first inhabitants brings some relevant information to the project. The Cherokee Indians lived along the river and bottom land which later became Lake Keowee. They thrived in the bottom lands from Virginia southward. They built their houses in villages, much like Early American settlers did. Villages were separated by day-long walks. Houses were made of wood and stone, fields were planted. Nuts and berries were gathered. Game was cured, tobacco was smoked and the Cherokee people adhered to high ethical standards. "Fire" the center of life became the Cherokee word for home.

Rivers between the Cherokee mountains, fed by creeks running from all directions, flowed north and west into the Great River, the Cherokees lifeline to other Indian cultures. A network of roads followed those rivers and streams to connect the Cherokee villages. Steep mountain gaps limited routing choices so Cherokee roads converged at certain gaps just as roads do today in those mountains. Village chieftains lead and represented the people to the tribe as a whole. The people used the roads to trade and compete with other villages.

The installation of Prince George Fort and the arrival of the British had a great impact on the history of the area. Several Colonial, British, and Cherokee played a significant part in the history of the area. The following timeline gives a brief account of this history.

Indian Trail Trees which are also known as bent trees, were once very prevalent in this area. The Indians native to this area, most often the Cherokee, are assumed to have used them to mark directions or trails to areas important to them. They took young saplings, bent them at a right angle perpendicular to the ground and pointing in the desired direction. They then tied them in this position. As the tree grew, the top portion would turn up toward the light but the segment that had been tied down would always point in a specific direction.

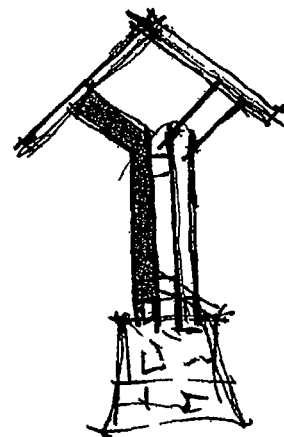
The trees were used to indicate different things. They might show a trail to a river or settlement. Some were used to indicate where natural springs were located. Sometimes they were used as message trees and were either

marked to indicate a message or had a hollowed out section where messages could be hidden

This proposal calls for using the theme of 'Indian Trail Trees' to mark areas along the nature/bike trail. Additionally, this idea is used as a recurring theme throughout the architecture of the development, articulating a unique form incorporated into the post and beam construction of the building form. Also, many of the names of places within the development have names influenced by this history.



Indian Trail Tree



Historic Timeline

- 1540 - Cherokee have contact with De Soto expedition
- 1670 - The South Carolina Colony established
- 1670' s - Tribes acquire firearms
- 1684 - Treaty with South Carolina and Cherokee
- 1690 - Secretary of Colony, James Moore ventures into Cherokee country looking for gold
- 1693 - Cherokee Chiefs visit Charleston demanding firearms for their wars against neighboring tribes
- 1705 - North Carolina complains that the South Carolina governor' s trade of Native American slaves had so angered the tribes that the Indian War was inevitable
- 1711 - 1713 - Cherokee aid the colony in driving out mutual enemy, the Tuscarora
- 1715 - Combined tribes in the region threatened to wipe out South Carolina in a war that broke out Peace was made with a large exchange of guns and ammunition for alliance with the colony
- 1715 - Cherokee drive Shawnee northward out of the Cumberland River Region
- 1721 - Cherokee sign treaty with South Carolina to systematize trade One condition of the treaty established a fixed boundary between the Cherokee and the colony This was the first land cession made by the Cherokee to the Europeans
- 1730 - Seven Cherokee make the trip to London to meet with King George II Atta Kulla Kulla was one of them
- 1738 - Small pox was introduced to the Cherokee killing nearly half the tribe within a year

1749 - South Carolina Independent Companies is formed replacing the disbanded General Oglethorpe's Regiment

1753 - 1768 - Fort Prince George was named for the Prince of Wales (later King George III) and served as the principal Carolina outpost in the Cherokee lower towns

1754 - Treaty reaffirming the Cherokee alliance to the English is signed

1755 - 1763 - French and Indian War Cherokee would have sided with the French except for the dependence on trade with the English

1757 - South Carolina Provincial Regiment is formed

1759 - Thirty-two Cherokee spokesmen are held hostage at Fort Prince George Chief Attakullakulla negotiates the release of Oconostota and two others The remaining twenty-nine chiefs remained captives

1760 - Cherokee lure Lieutenant Coytmore outside the walls of Fort Prince George and mortally wound him The same day the remaining chiefs who are being held hostage are killed Cherokee start a fight with South Carolina and push frontier line back 100 miles to the Edisto River

1761 - Attakullakulla signs a treaty with South Carolinas colonial government

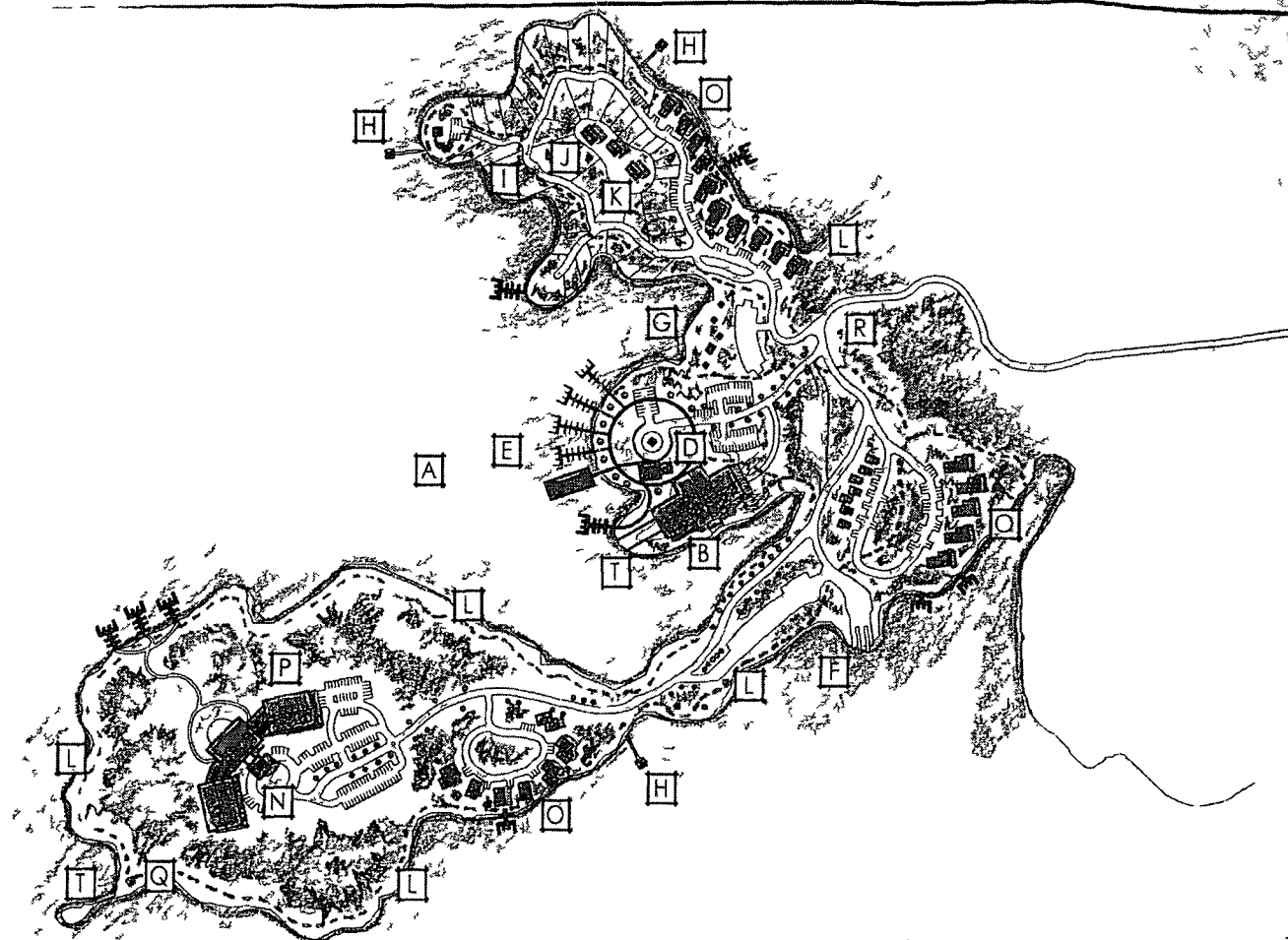
1775 - Cherokee sign the Henderson Purchase which ceded land north of Cumberland River and what is now Kentucky

1776 - British invade Charleston and Cherokee once again attack colony

1777 - Cherokee sign 'Treaty of DeWitt's Corner' which ceded nearly all of South Carolina except the northwestern corner, which is now Oconee County

1790 - 16,000 people move into Greenville, Pickens, Oconee, and Anderson Counties Cherokee and Creek make raids on South Carolina and Georgia South Carolina establishes block houses along its northwest boundary for protection

1816 - Cherokee sell the last of their South Carolina land to the colony



SITE PLAN (MASTER PLAN)

1 = 300'-0

Letters correspond to items on pages 12-18

Elements of Proposal

- Please note the following features of the proposal are labeled on the site plan accordingly. Please review site plan to determine location of each feature.

Each element of this proposal will be planned with ADA accessibility features as an integral part of the design in all places where it is reasonably achievable.

■ Water related features

A Marina

The marina will be located conveniently for public use and will provide a "courtesy dock" for short term "parking" as well as fueling. Though this proposal is preliminary, at the appropriate time a Spill Prevention Control & Countermeasure Plan will be provided.

Another service available to the public at the marina will be a marine sewage pump out service to the public at nominal charge.

Adjacent to the marina will be a shop for maintenance and repair of boats. Design considerations will be made for the possibilities of boats arriving both by water and by land.

B Dry dock boat storage

The dry dock boat storage facility will store boats under cover year round and will be designed for 100-200 boats. Storage for boat trailers will not be a part of this facility.

Boats will be handled by forklift to be placed on storage racks and also lower into the water as needed. A boat owner could call the facility and upon arrival to Warpath

Landing, his boat would be waiting for him Boat storage would be available on a fee basis

C Marina convenience store

The marina convenience store will provide the essentials people may need while boating camping fishing swimming or sunning The store would be located near the active hub area of the marina to be convenient for both boaters as well as others Ample parking will be provided close by Restroom facilities will also be provided Nearby fueling and courtesy docks (approx 20 slips) will serve as an access to the facility by boat as well as provide a needed fueling station for Lake Keowee

D Deli/Grill

The deli/ grill will be a place to grab a quick sandwich Sandwiches will be available for eat in or for takeout An outdoor eating area and restrooms will be included in this facility The size and type of facility may be something on the order of a "Schlotsky s "

E Boat slips

The boat slip area will include covered and uncovered slips The number of slips and the particular arrangement will develop with the phases of the project There will eventually be 2 walkways with slips on each side to be developed as the demand indicates but not to exceed space for 100-200 boats

F Public boat launch and parking

A public boat launching area, which will utilize elements of the existing boat ramp, will provide a place for day users, campers or anyone to launch their boat The existing facility will be utilized and improved Restroom facilities and picnicking areas with small picnic shelters will be nearby Ample parking for vehicles and boat trailers will be provided

G Public swimming area

A public swimming area will be available for anyone to spend the day and enjoy the lakeshore. This would be similar to the swimming area at Devil's Fork State Park and would feature restroom facilities and picnic areas. There will not be a lifeguard on duty. Parking would be available in the nearby paved parking area which is currently designed with consideration for 70 vehicles. Secondary overflow parking would be developed as needed. This secondary parking area would simply be a grass area to be utilized only for the occasional event or holiday situation. If this proved to be something utilized on a regular basis, this area could be paved as well. It is the intent to keep the development as natural and sustainable as is reasonably achievable.

H Public fishing pier

There would be provisions in the development for 2-3 fishing piers. These would allow the possibility for fishing from a pier in both covered and uncovered spaces. Nearby parking for 4-6 cars per pier would be provided.

To encourage the healthy maintenance of fish populations, various techniques will be employed. Manmade fish habitats will be installed under the fishing piers. Natural vegetation along the shoreline will be preserved, protected and replenished. Proper erosion control methods will serve to protect the natural habitat of plant and wildlife.

□ Outdoor recreation

I R/V Sites and Campground

To accommodate overnight camping, facilities for various types of camping will be provided. Plans call for campsites for 15-25 larger "R V" type-sites as well as 20-40 tent campsites.

The campground area will include a bathhouse as well as dump station. The design of the site allows campers to be part of the entire resort through the use of the swimming area, nature trail, secondary recreation areas, fishing piers as well as a close connection to cabin areas. Adequate parking for each campsite will be developed as the design matures.

One opportunity the site offers is the possibility of group camping on the two south facing peninsulas.

J Picnic areas

Picnic areas of varying types will be planned for at strategic areas throughout the development. Some of these will be uncovered, some will be covered. These shelters will be available for day users as well as vacationers.

K Larger picnic shelter

The large picnic shelter will be adjacent to the RV/Camping area. This structure will be approximately 30' x 40' with a large open hearth stone fireplace on one end. The rustic facility would be suitable for campground functions such as a square dance, sing-a-long or a casual worship service. This facility could be used for many different functions such as a boat club barbeque, family reunion potluck dinner or church picnic. The nearby bathhouse will serve as restroom facilities. Nearby parking for the swimming area could be utilized for occasional events. (See picnicking areas noted throughout project).

L Bike path/ nature trail

A 2.25 mile bike path /nature trail will be woven around most of the perimeter of the development. The concept for the trail is to incorporate the theme of the Indian Trail Tree to designate historical "points of interest" at strategic points. The trail will offer exercise possibilities such as running, jogging, biking for all.

types of users. The trail will allow a point of contact between people from different user groups. For example a conference attendee may enter into an interesting conversation with a camper on an early morning walk.

M Secondary recreation uses

As details of the project develop, locations for secondary recreation opportunities will be determined. The goals are to offer assorted options to allow for taste and level of activity desired. The following recreational opportunities will be available in strategic locations:

Croquet
Horseshoe pits
Rock climbing
Playground
Campfire pit

o Lodging/ Dining

N Lodge

A lodge with 60 to 120 rooms will be designed to capture the views and natural beauty of the lake. Groups as well as individuals will use this facility. The character of the facility will be similar to a Bed and Breakfast Inn rather than a chain hotel. Nearby docking facilities for 30-40 boats will allow lake residents to arrive by boat to dine at the restaurant on site.

O Cabins

Cabin facilities will be simple mountain type cabins. They will vary in size to accommodate different needs. A single person or couple would rent a small size cabin. A small family may like a medium sized cabin. And a group may rent the Family/ Group sized cabin. This size could be used for many situations - an office retreat, a family gathering or club meeting.

Approximate sizes

Small size - 500-750 sq ft (1-2 bedroom) with screen

porch

Medium sized - 1,000-1300 sq ft (2-3 bedroom) w/ screen

porch

Family/ group - 1600-2000 sq ft (3-4 bedroom) w/ screen

porch

The small and medium sized rental cabins will have a minimum of two parking spaces for each cabin. Each cabin will have at least one parking space for boat trailers. Additionally, auxiliary parking will be provided near each cabin cluster.

The family/ group cabins will each have 3 to 4 parking spaces as well as 1 boat trailer parking space. There will also be auxiliary parking for each cabin cluster.

All cabins will have at least 1 boat dock to be located nearby. (See locations on site plan)

This preliminary proposal calls for 10 of the small to medium sized cabins adjacent to the RV/ Campground area. The other cabin area will feature 7 small size cabins and 5 of the larger group type cabin. These will be developed as part of the phasing explained in a following segment of this conceptual plan. An additional cabin area would include 7 med sized cabins to be used for conference facilities in conjunction w/ the lodge.

P Restaurant

The restaurant will provide casual individual dining as well as banquet facilities for 100 to 250 people. This will be designed in such a way as to complement the lodge functionally and architecturally. This facility could be used for a multitude of functions, including receptions, banquets and any number of gatherings. Parking for this facility as well as the lodge will be developed in a terraced layout that works with the natural contours of the site and minimizes the visual and ecological impact.

of large asphalt paving areas. Specific square footage and parking requirements will be determined as the design is developed.

Docking for 16 to 24 boats will be provided as the Lodge/Restaurant area is developed. These docks will allow restaurant patrons to arrive by boat from various lake communities in the surrounding area.

Parking for the restaurant and lodge will be designed to minimize visual and ecological impact. The lodge will require 70-130 parking spaces. The restaurant will require 25-62 spaces.

□ Miscellaneous

Q Shaman Point

This rustic structure will be a focal point for the project as an historical element as well as a functional sculpture. The space created could be used for small weddings or casual gatherings. Access to this special point may be a simple footpath. The journey of approaching the point would be part of the experience of arriving at a destination.

R Main Entrance Gate

The main entrance gate will function architecturally as the "greeting" to the development. This will be a security control point and also a place in which guests can be directed to their desired area of the development. If a minimal day use fee were required to offset maintenance costs, this would be the place of collection.

S Sewage treatment facility

Preliminary civil engineering studies have yielded a conceptual plan that carefully considers site constraints, preservation of natural resources including trees, and state of art technology to yield efficient sewage treatment. (See engineering report following.)

T Shoreline Management

Care will be taken throughout the project to preserve and protect the natural vegetative habitat of the site. Along the lakefront, particularly, precautions will be made to stabilize the natural shoreline.

This proposal features the installation of bulkheads as needed for structural support for docking and fueling uses. These bulkheads would be appropriately designed. And, measures to preserve and foster the development of fish habitat will be observed where feasible.

In places where disruption of the natural habitat is inevitable, efforts will be made to relocate plant material to suitable areas. In every area where it is feasible, the intent is to maintain 50' undisturbed natural vegetation along the entire shoreline. And, elsewhere on the site, effort will be made to retain as much undisturbed natural vegetation as possible.

U Road Improvements

Road and infrastructure improvements will be provided by phases as needed to facilitate the construction and use of each stage of the project. (See phasing below.)

Note: At this time, it has not been determined whether it will be required to assess a fee for day users of the proposed facilities. Should a fee be required, it will be a nominal fee to offset costs of maintenance of restroom facilities, maintenance of beach area, and trash and waste service.

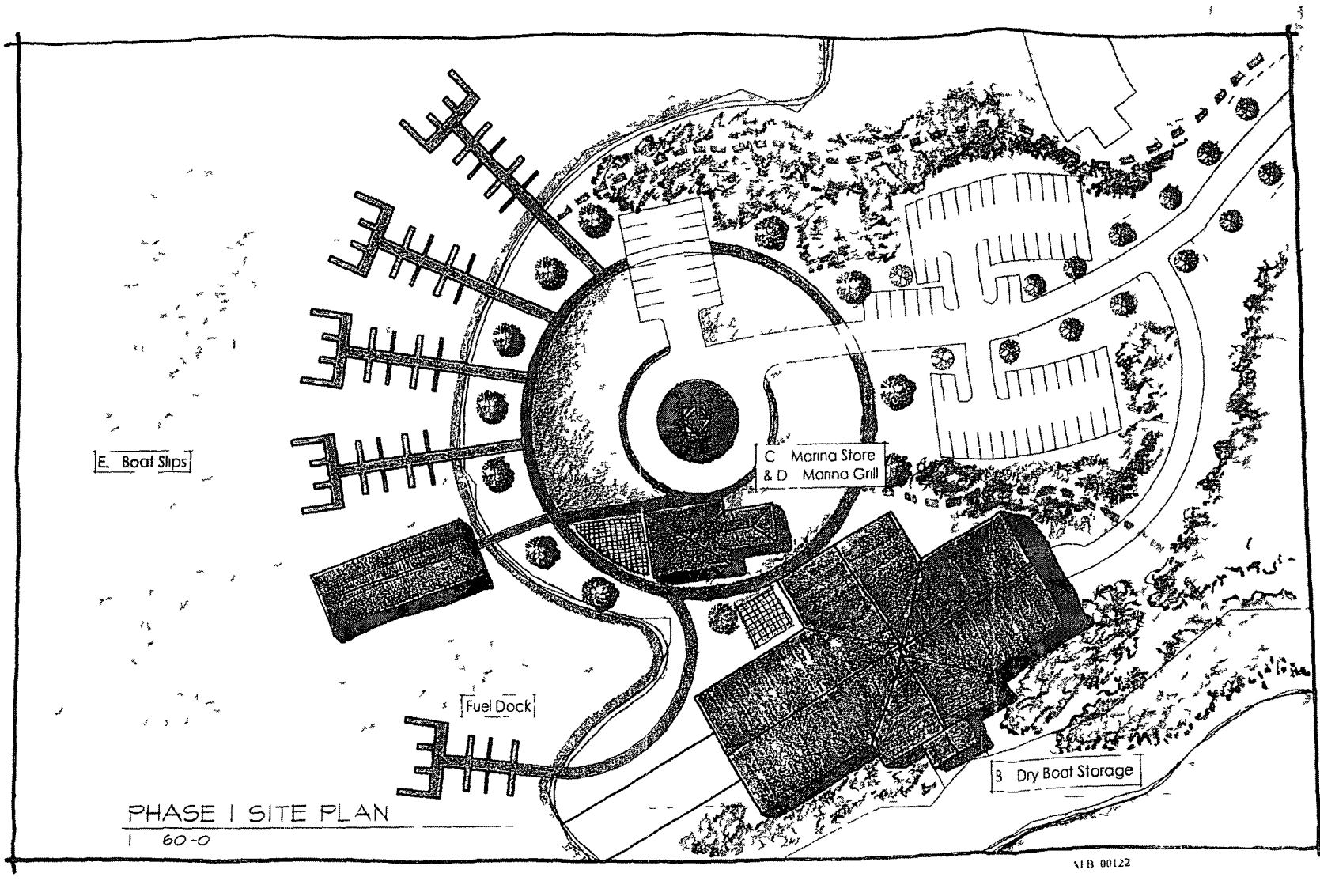
Phases of Project

Note Phases I and II are planned to be developed concurrently

Phase I

- Dry Boat Storage
100-200 boats
- Fuel Dock / Courtesy Dock
20 boats
- Marina Grill and Store
- Boat Slips
100-200 boats
- Shoreline Management / Bulkhead
- Roads and Parking
- Utilities Infrastructure
- Main Entrance Gatehouse
- Perimeter Nature Trail

This initial phase will include developing approximately 5 acres. Preliminary estimate for this initial phase is approximately \$4 000,000 and will take 12- 18 months to complete construction.

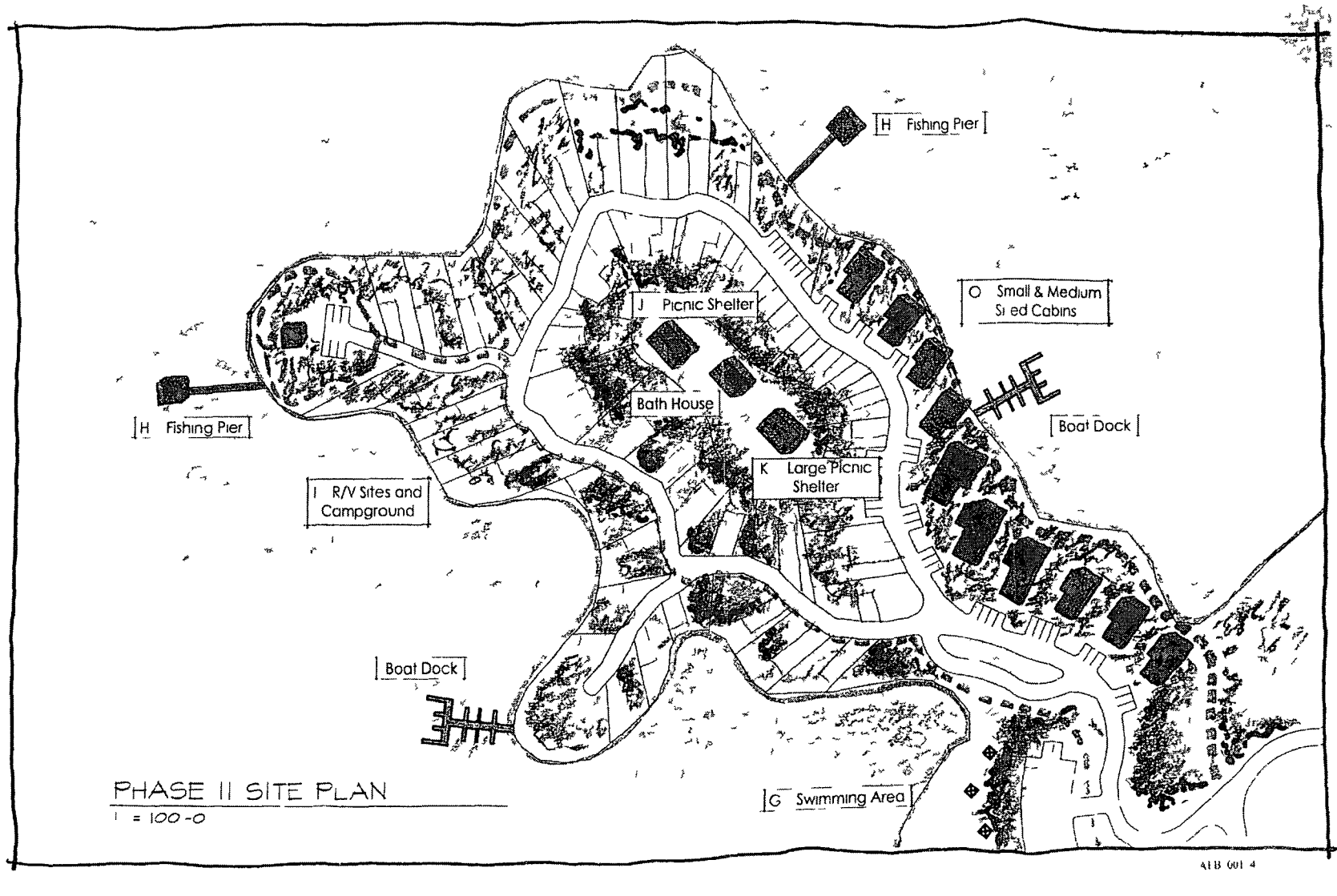


Phase II

Note Phases I and II are planned to be developed concurrently

- Recreational Vehicle sites
15-25 RVs
- Tent sites
20-40 campsites
- Bath House
- Picnic Shelters
- Courtesy Boat Docks
15-20 boats
- Swimming Area
- Overflow Parking
- Cabins
- Fishing Piers
- Infrastructure

This second phase calls for the development of 11 acres. The approximate cost of this phase will be \$1,000,000. This phase will require 6 - 12 months to complete.

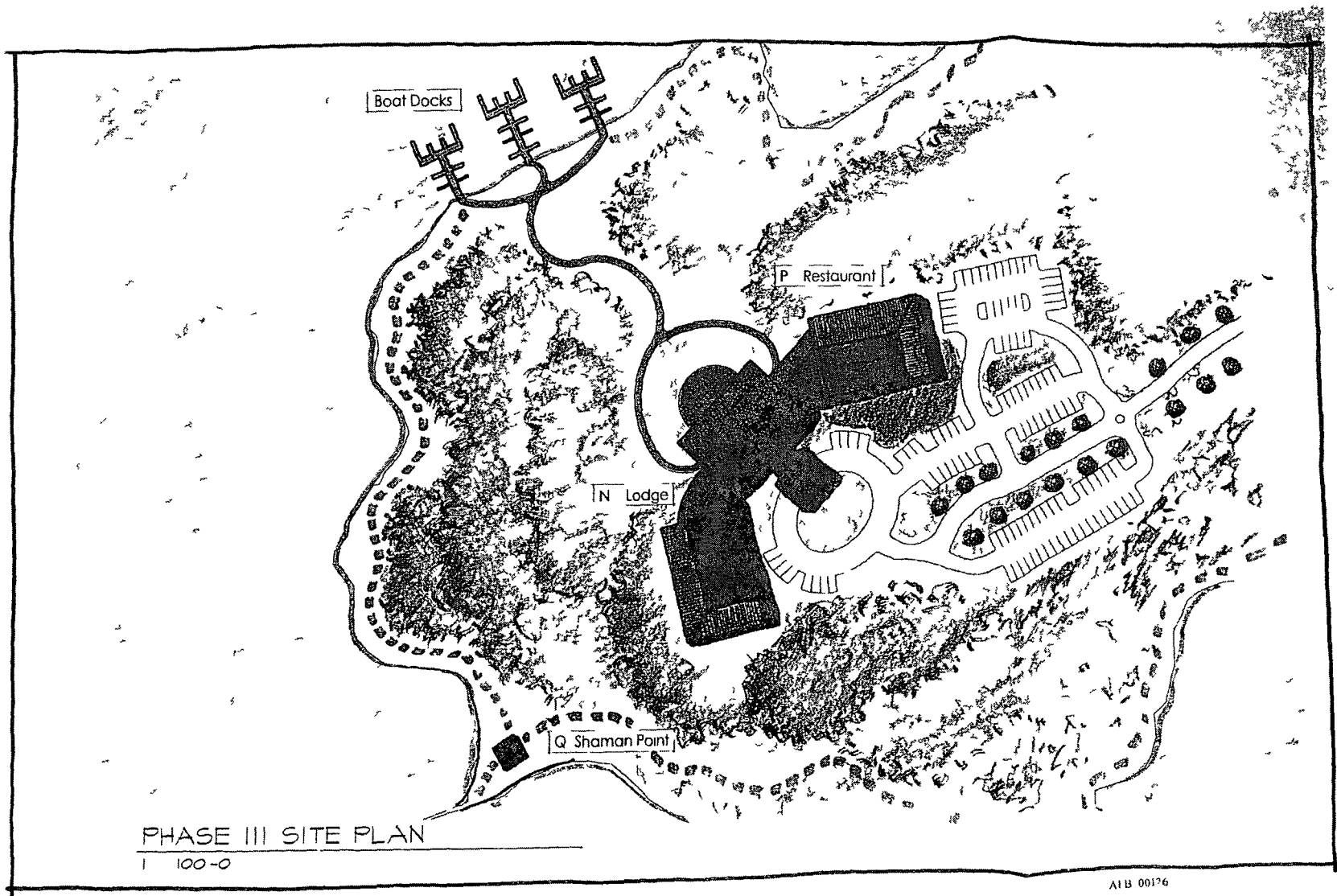


Phase III

- Resort/ Conference Center
- Restaurant
- Group Cabins
- Fishing Pier
- Bulkhead
- Boat Dock
 - 30-40 boats
- Infrastructure
 - Parking
 - Re-defining entry road to provide sense of arrival for Resort/Conference Center
- Utilities Infrastructure
 - Sewage treatment facility

This phase will entail the development of approximately 26 acres. The preliminary estimated cost for this part of the development is \$6 000 000.

This phase will take 18 - 24 months to complete.



Phase IV

- Cabins
- Courtesy Boat Docks
(36) 3 docks with 12 slips each
- Secondary recreational opportunities

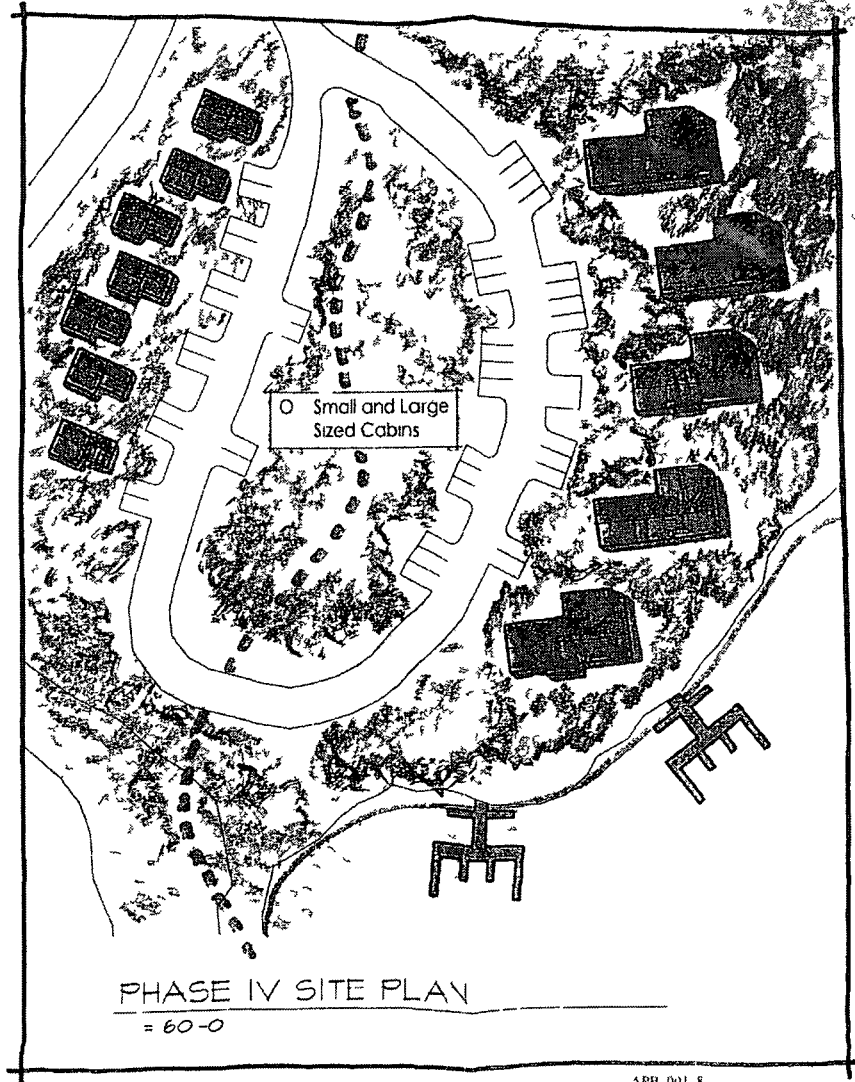
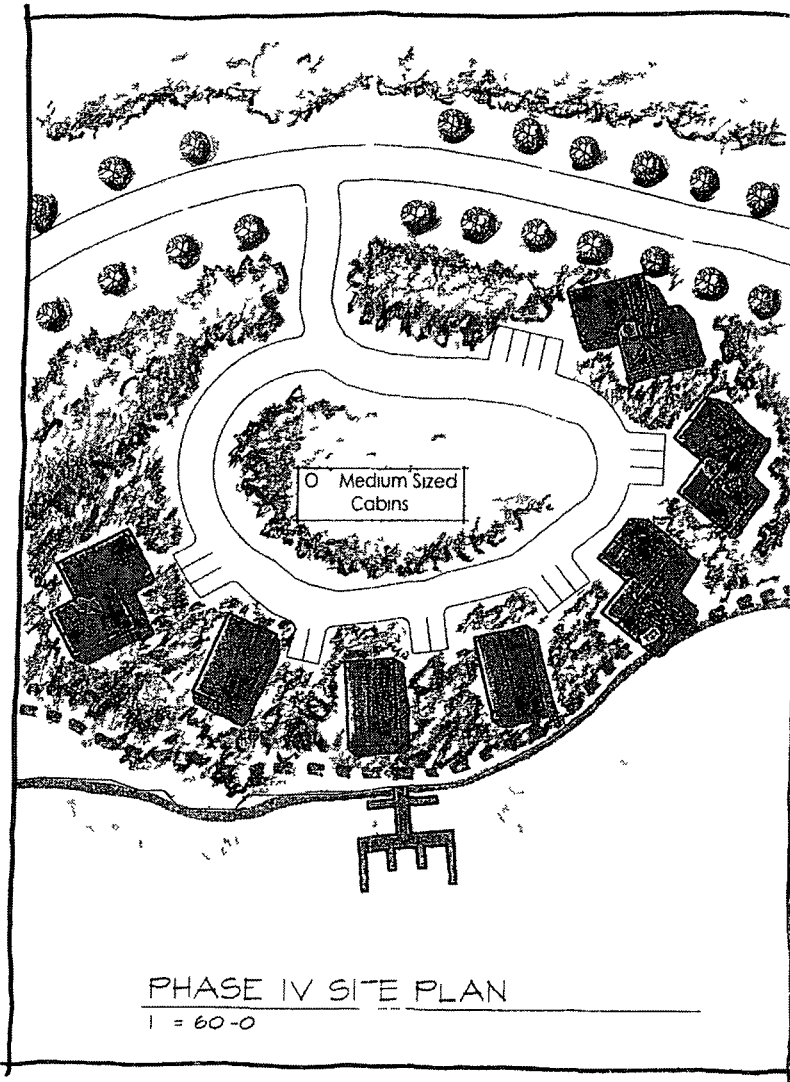
This phase calls for the final development of the remaining 16 acres

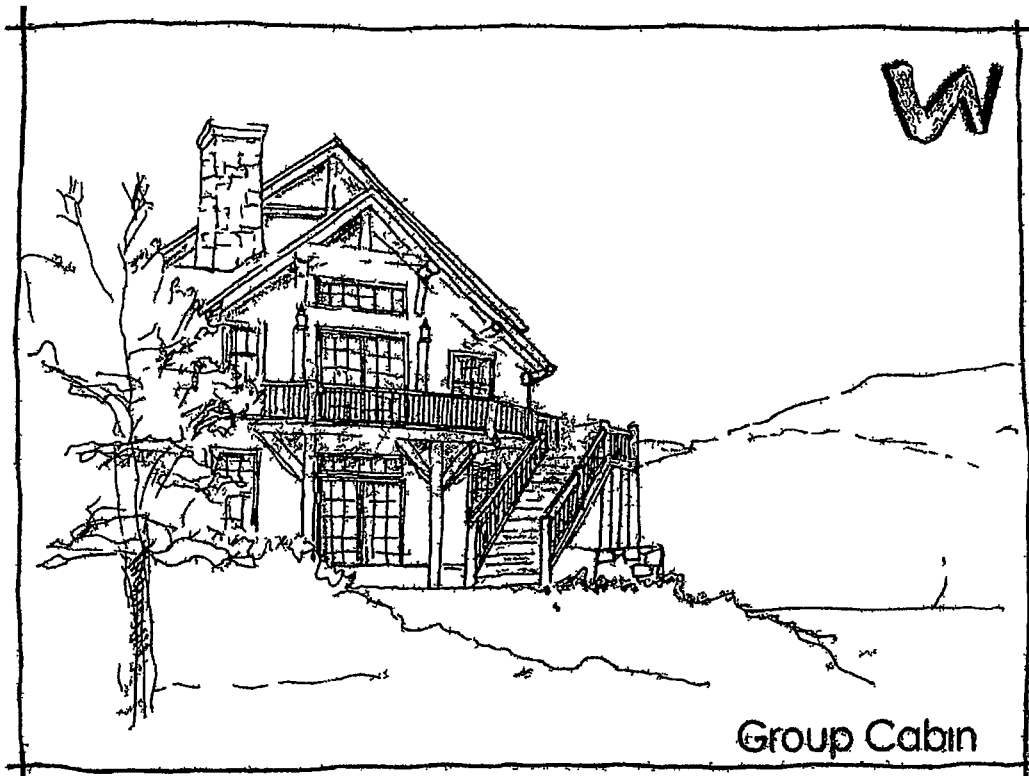
Preliminary cost estimate for this phase is \$1 000 000 - \$1 500 000

Construction time is estimated to be 6-12 months

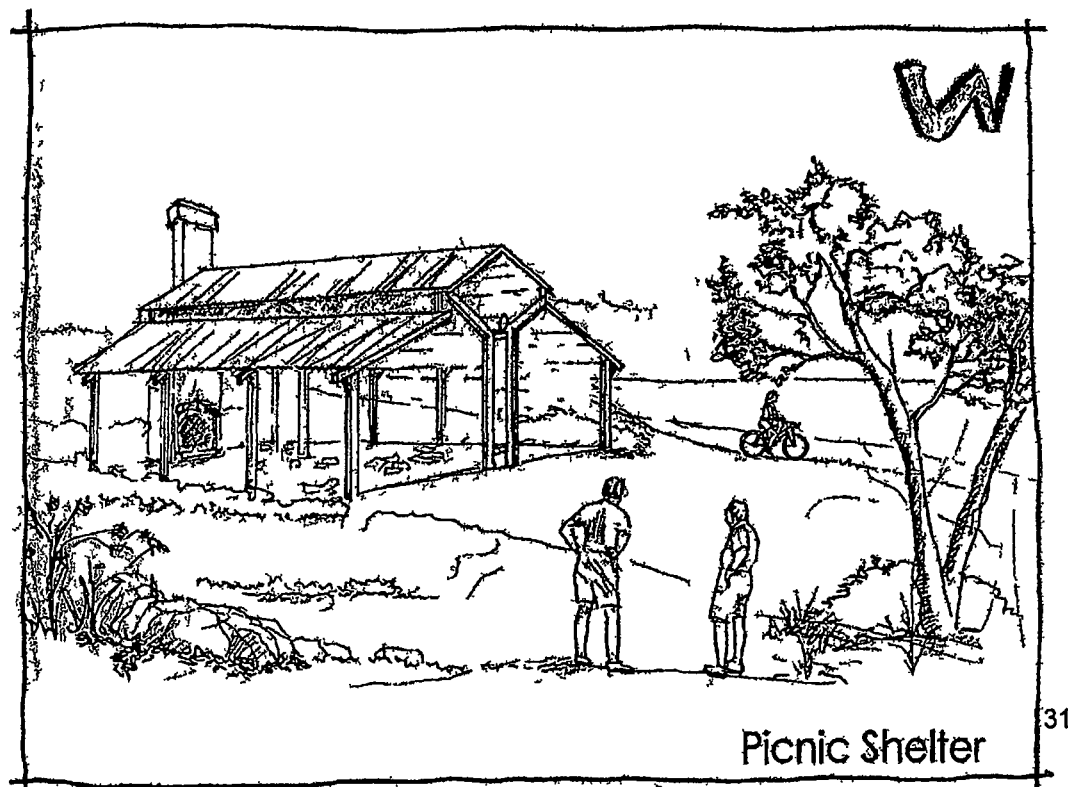
Please note

Phasing will overlap to expedite overall construction time. While one phase is being constructed, design and engineering on the next phase will be in process





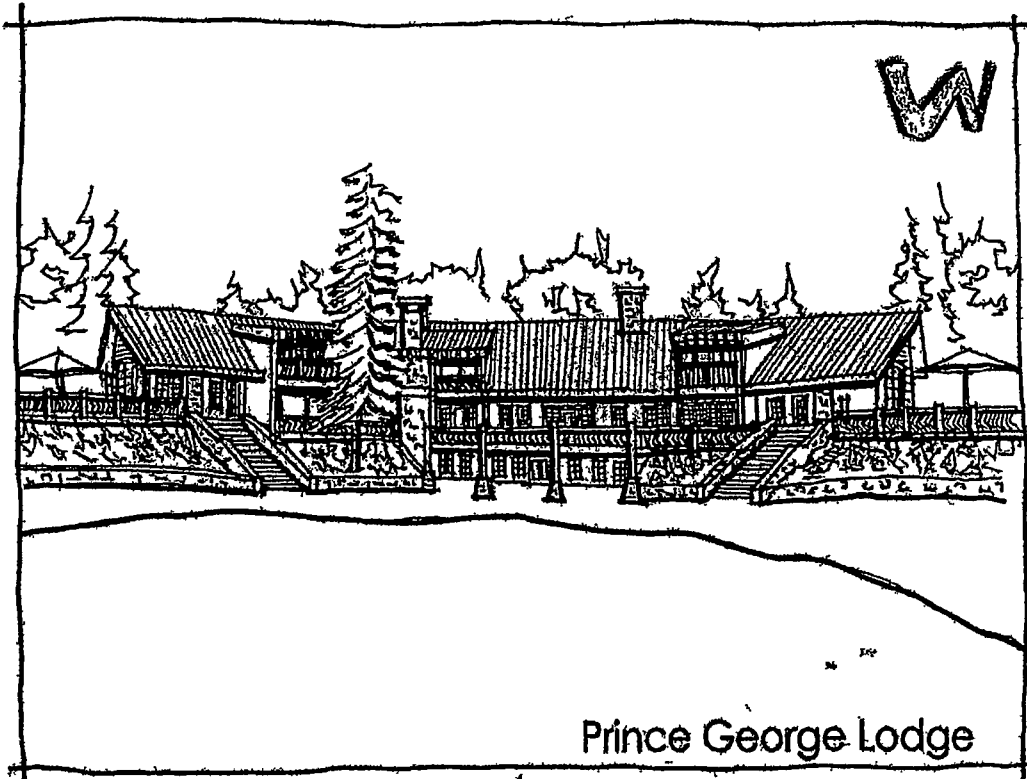
The Ellis Group P.A. Architects Greenville SC



The Elk Group P.A. Architects Greenville SC

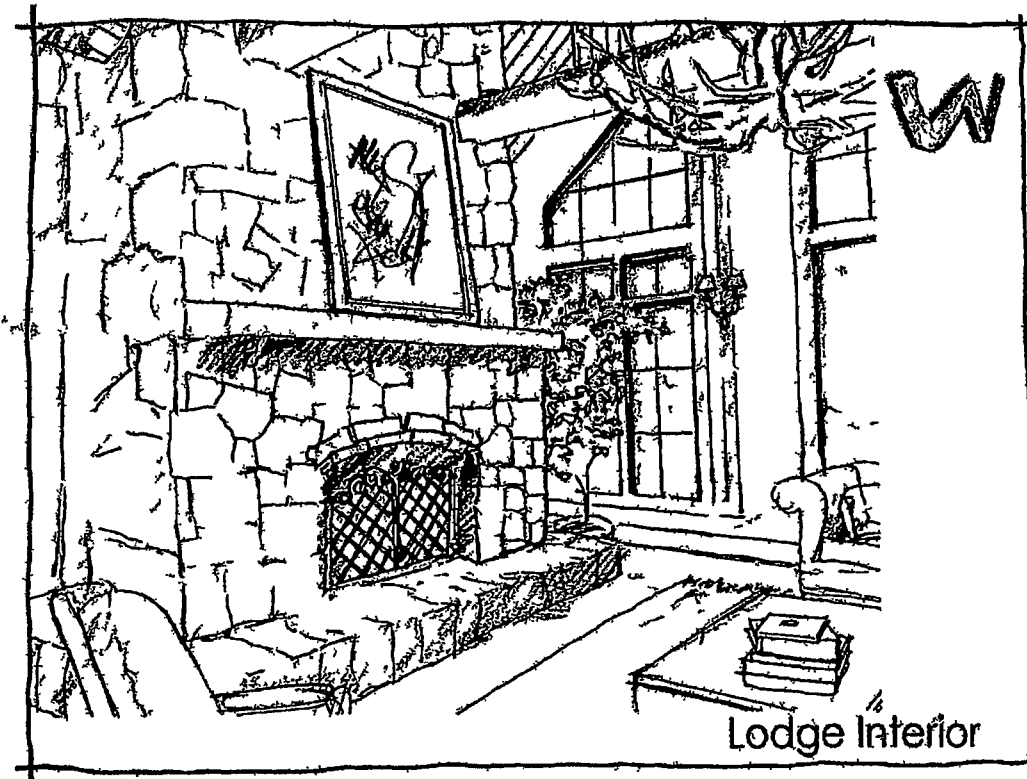
APB_00129

PRINCE GEORGE LODGE



Prince George Lodge

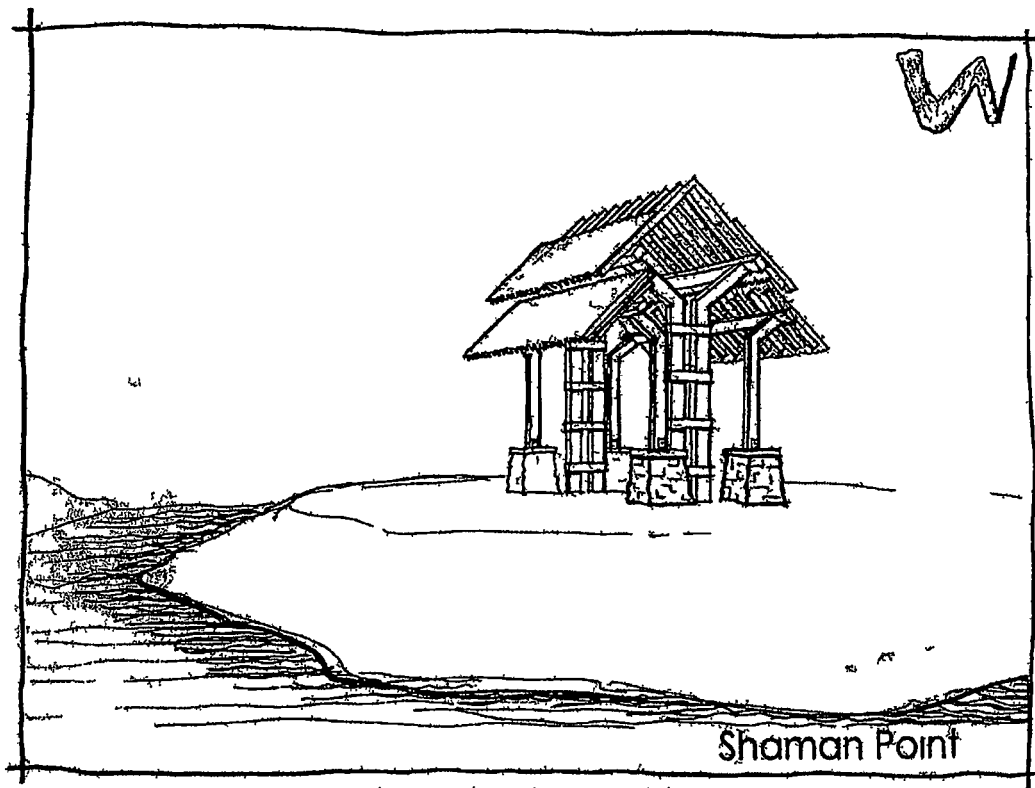
The Ellis Group P. A. Architects Greenville, SC



Lodge Interior

The Ellis Group P. A. Architects Greenville, SC

APB_00130



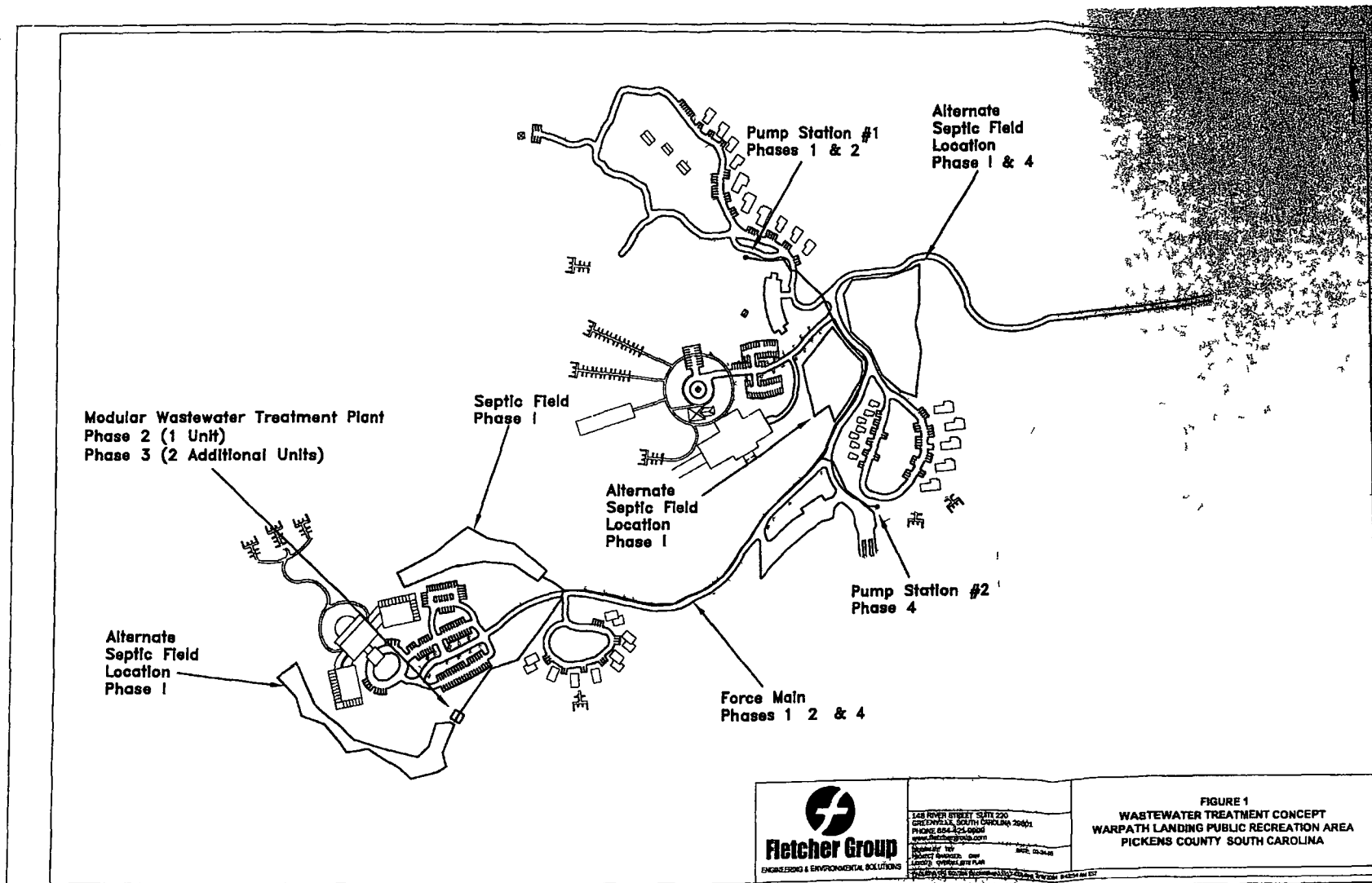
Native Stone incorporated into a Flowering Landscape.
Heavy Timber Building Frames Alluding to the Wooded Character of the Site
Metal Roofs Resonating the Falling Rain,
Stacked Stone Chimneys around which to Gather
Nature Imprinting a Lasting Essence of Place.

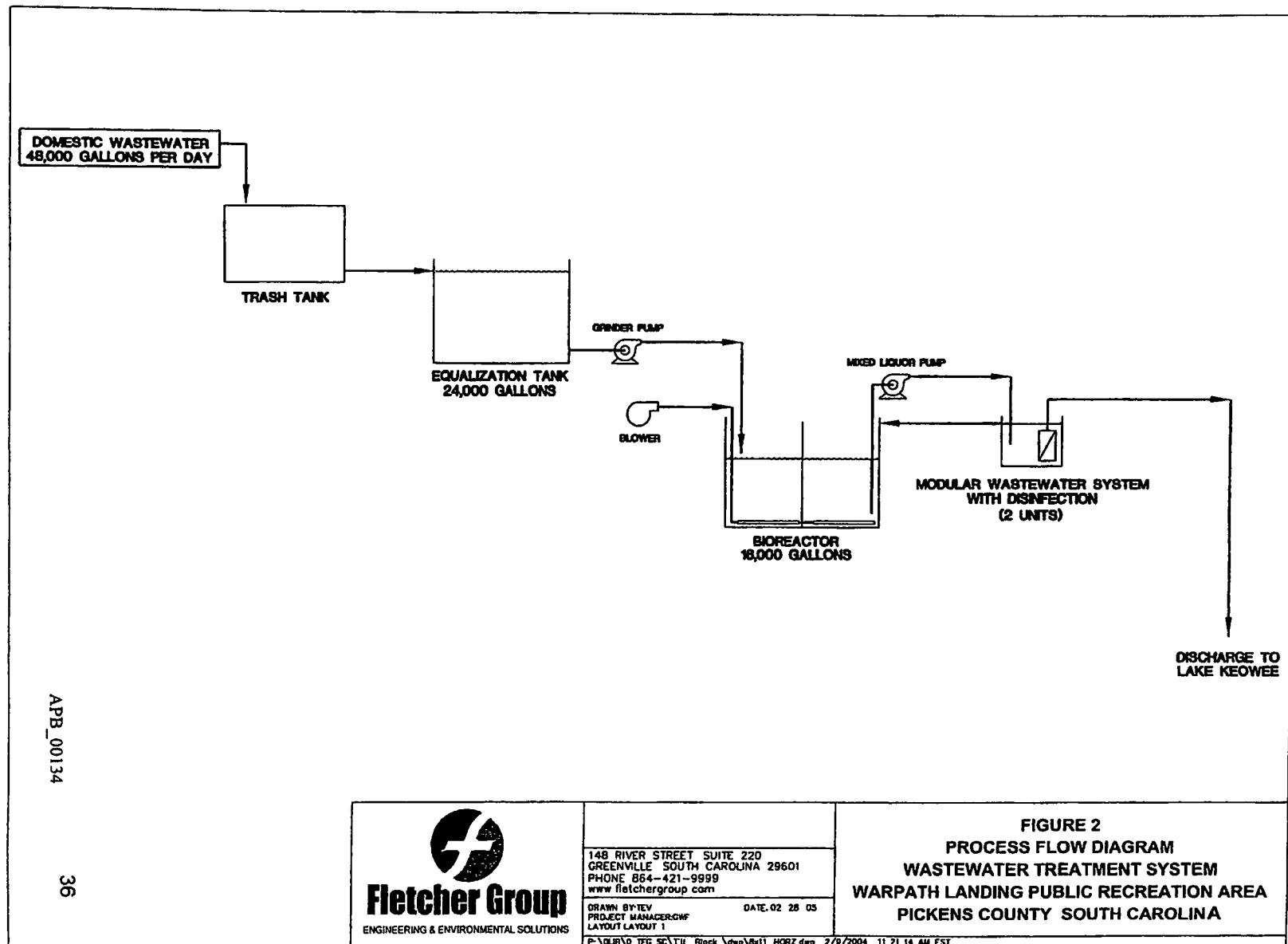
WARPATH LANDING
Conceptual Design of Waste Treatment Facilities
2/28/05

Wastewater Design Basis

The following table summarizes a design basis for wastewater from the proposed facilities based on the Standards for Wastewater Facility Construction R 61 67, SC DHEC, June 1998 Flow data is from Appendix A *Unit Contributory Loadings to All Domestic Waste Treatment Plants* Seasonal flows are denoted with an "S"

Development	Basis (Per day)	Units	Design Flow
Phase I			
Dry Boat Storage	40 gals/employee	4 employees	160 gpd (S)
Fuel Dock	30 gals/slip	20 spaces	600 gpd (S)
Marina Grill	40 gals/seat/day	8 seats	320 gpd (S)
Boat Slips	30gals/slip	160 slips	4800 gpd (S)
		Total Phase I	5880 gpd
			* 0
Phase II			
Campground			
34 RV spaces	175 gals/site	34 spaces	5950 gpd (S)
10 campsites	50 gals ppd	3 people/campsite	1500 gpd (S)
10 Cabins	100 gals ppd	3 people	3000 gpd (S)
Bath House	Included		
Picnic Shelter	Included		
Fishing Pier	Included		
Boat Dock (16 spaces)	30 gals/space	20 spaces	600 gpd (S)
		Total Phase II	11,050 gpd
Phase III			
Conference Center	100 gals/room	120 rooms	12 000 gpd
Swimming Pool/spa	10 gals/user	20 users	200 gpd
Restaurant	70 gals/seat	250 seats	17 500 gpd
Group Cabins			
Three single	100 gals ppd	3 person per room	900 gpd
Four with 4 rooms	100 gals ppd	2 persons per room	3200 gpd
Fishing Pier	Included		
Boat Dock	30 gals/space	12 spaces	360 gpd
		Total Phase III	34,160 gpd
Phase IV			
Cabins	100 gppd	10 cabins x 3 people	3 000 gpd (S)
Picnic Shelters	Included		
Fishing Pier	Included		
Boat Dock	30 gals/space	8 spaces	240 gpd (S)
		Total Phase IV	3,240 gpd





In round numbers Phase I would be 6 000 gpd Phase II 11 000 gpd Phase III 34 000 gpd and Phase IV – 4000 gpd for an ultimate total of 55 000 gpd

In order to accommodate the construction phasing and still provide system flexibility Fletcher Group Inc proposes to construct a septic tank field to accommodate Phase I Standard septic tank design calls for a drain field that will handle 5 gal/day/sq ft Trenches are typically 3 ft wide and can be no closer together than 10 ft The field should have a backup area that can handle 100% of the flow Using this criterion the 6000 gpd will require approximately 12 000 sq ft, or 4 000 lineal ft of trench Parallel lines should be no longer than 150 ft so a flat area of 150 ft x 267 ft (approximately 9 acre) would be required

The final design will depend on topography soils and the site master plan Multiple septic tanks could be used to accommodate specific site conditions Figure 1 shows four potential locations for drain fields at Warpath Landing All of those drain fields should be integrated into surrounding land uses The following photograph shows a drain field threaded through trees at Devils Fork State Park

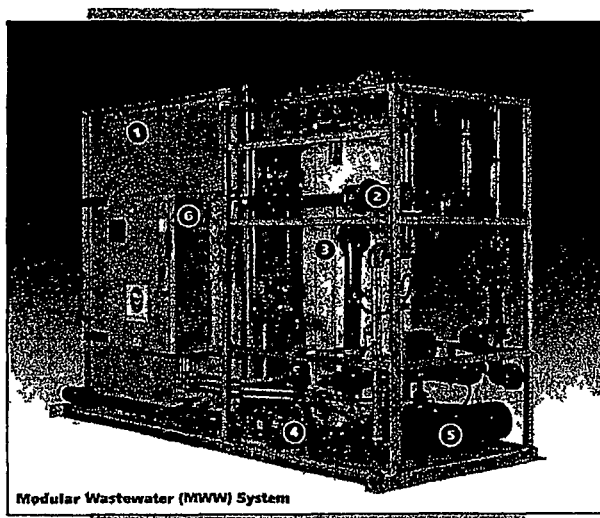


Phase II will generate 11 000 gpd of wastewater This would involve 2 more acres of drain fields in and around the campsites cabins and bath house Although this solution is possible we would recommend that the developers consider constructing the first of two 24000 gpd waste treatment modules to be located near the future conference center Assuming a lake discharge we believe that a biological membrane would work better than a conventional package plant One manufacturer of biological membranes will guarantee the following performance

BOD ₅	< 5 mg/L
TSS	< 3 mg/L
Ammonia Nitrogen	< 1 mg/L
Total Nitrogen	< 5 mg/L

Total Phosphorus	< 1 mg/L
Turbidity	< 1 NTU
Fecal Coliform	< 2 2 cfu per 100 mL

The following photograph shows a Zenon 24 000 gpd module. Each module is roughly 4 ft by 12 ft long. In addition, there would need to be an 8000 gallon aeration tank and a septic tank for collecting trash in front of the unit. The Septic Tank from Phase I could be used for this purpose. Figure 2 shows a Process Flow Diagram.



The Phase I pump station and pipeline would transfer the waste from both Phase I and Phase II. The treatment plant could be shutdown in the winter and the drain field used for all of the wastes.

Phase III will generate the largest load, 34 000 gpd. A second 24 000 gpd module should be able to handle the total flow. For a total flow of 51 000 gpd, it may be necessary to divert 3000 gpd to a septic tank and the drain field. For winter operation, one of the modules could be shut down.

The last phase has 4000 gpd, and the only new construction would be a small pump station. The drain field would only need to be slightly enlarged to handle the flow. Actual flows may show that SC DHEC estimates are conservative and no expansion is necessary. Alternatively, a drain field could be constructed to handle the bathhouses in Phase II, or the Phase I drain field could be expanded by approximately 2 acres. These plans can be finalized when actual site conditions are factored in.

Alternate Scenario

Pickens County prefers drip irrigation systems to discharges to the lake. An alternate that may prove less expensive is to use more conventional treatment and purchase offsite property that can be used for constructed wetlands, drip irrigation, spray irrigation, or a larger drain field. A drip irrigation system, for example, applies the wastewater to forested areas where it is absorbed by

the trees At a loading of 10 lbs of BOD₅/day/acre, approximately 12 acres would be required
This area would need to be fenced. The wastewater would require conventional secondary
treatment, but could then be pumped to a distribution system on the leased property

Costs

Fletcher Group Inc believes the above approaches will solve waste treatment problems for the
development We will submit a budget cost estimate by the end of this week. However, more
detailed estimates should be made when specific site issues can be factored in

Water

The area is served by the Six Mile Water District. We believe that they can supply water to the
development

Solicitation/Contract No. _____

Attachment No. _____

REPRESENTATIONS AND CERTIFICATIONS (Supplemental)

The person signing this document certifies that the following statements are current and correct. If any of these statements are incorrect or inaccurate, Offeror shall provide an explanation with its offer and further clarification as requested by the Buyer. The Buyer may reject any offer which does not include this completed and signed document.

1. Offeror is authorized to represent the business making this offer (Offeror) in all matters related to pricing, terms and conditions, conduct of business, and buyer-seller relationships between Offeror and the Buyer.

2. Offeror is an independent business concern free to enter a bidding agreement for contract with the Buyer without any restrictions from another business entity or parent company. If Offeror is owned or controlled by a parent company, Offeror shall identify the parent company or controlling entity in its offer.

3. Prices offered have been arrived at independently without consultation, communication, agreement, or condition that relates to the proposal by any other Offeror or competitor. The Offeror has not, and will not, disclose offered prices to any other Offeror or competitor prior to award of a resulting contract, or cancellation of this solicitation. The Offeror has not attempted to induce any other person or firm to submit, or not submit, an offer in response to this solicitation. Offeror warrants that the prices offered do not exceed those currently offered to any other customer for the same or similar quantities of the same or similar goods or services.

4. No person or company other than Offeror's employee(s) or affiliate firms, has/have been paid to solicit or obtain this Contract nor has any agreement been made to pay a person or company a commission, fee, or any form of compensation contingent upon award of this solicitation.

5. Offeror has not, within a 3 year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

6. Offeror agrees to comply with the provisions of federal Service Contract Act (SCA), P.L. 89-286, 41 U.S. Code 351 as amended, or applicable rulings and regulations of the U.S. Secretary of Labor for services which will be performed by categories of workers identified in the SCA. Personnel performing work under the Contract will be paid wages and fringe benefits not less than those determined by the Secretary to be prevailing in its locale, or those established by a bargained wage and benefit agreement, applicable to the Contract as provided in the SCA, throughout the performance of the Contract.

These certification statements concern matters within the jurisdiction of an agency of the United States. Making a false, fictitious, or fraudulent certification may render Offeror subject to prosecution Section 1001 Title 18, United States Code. The Buyer may withhold an award based on any negative responses to the certifications above and/or Offeror's failure to adequately describe the conditions of the response.

Offeror agrees that the certifications and conditions provided herein are a material and binding part of and are hereby incorporated by reference into any resulting contract unless specifically excluded in the contract.

Offeror	Tax ID or Social Security No
Authorized Representative	Title
Signature	Date
Internet Homepage/Email Address	

EXHIBIT C

HOURS OF OPERATION AND USER FEES

APB_00139

Warpath Development Corporation
Post Office Box 24234
Greenville South Carolina 29616
864-346-6888

David S Jolley
Duke Energy
Duke Energy Lake Service
EC12Q / P O Box 1006
Charlotte, NC 28201-1006

Reference Warpath Development Corporation
Hours of Operations and User Fees

Dear David,

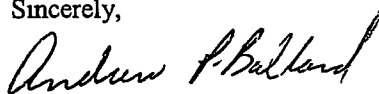
Basic operating hours will be three hundred sixty-five (365) days per year for Lodge/Hotel, Marina, Campsites, RV Parking and Cabins

Seasonal Hours for Ship's Store, Marina Grill and Dry Boat Slip will be confirmed closer to opening of Public Access Areas

Operational hours for Lodge/Hotel inner services are set closer to time of opening,
Restaurant
Banquet Facilities
Lounge
Room Service

Most of these facilities will operate on a daily schedule of 6 00 a m until 9 00 p m

Sincerely,



Andrew P Ballard

APB bnb

Attachment

APB_00140

Wet Boat Slips - \$1,800 per year to \$4,000 per year, should average about \$2,500 per year based on boat size

Dry Boat Slips - \$10 00 per foot with average boat being about \$2,500 per year, maximum boat 34 feet

Ship Store - will be like a small convenience store with gasoline, grocery products and marina supplies

Marina Grill - Breakfast, Lunch and Dinner

RV Parking Spaces - Summer Rates \$60 00 per night
June 1st to Aug 31st \$300 00 per week

Fall Rates \$60 00 per night
Sept 1st to Nov 31st \$300 00 per week

Winter Rates \$45 00 per night
Dec 1st to Feb 28th \$225 00 per week

Spring Rates \$60 00 per night
March 1st to May 30th \$300 00 per week

Campsites Summer Rates \$35 00 per night
\$150 00 per week

Fall Rates \$35 00 per night
\$150 00 per week

Winter Rates \$20 00 per night
\$100 00 per week

Spring Rates \$35 00 per night
\$150 00 per week

Lodge/Hotel -	Maximum 120 rooms	
	Summer Rates	\$149 00 per night
		\$750 00 per week
	Corporate Rate	\$ 99 00 per night
	Fall Rates	
		\$149 00 per night
		\$750 00 per week
	Corporate Rate	\$ 99 00 per night
	Winter Rates	
		\$109 00 per night
		\$550 00 per week
	Corporate Rate	\$ 99 00 per night
	Spring Rates	
		\$149 00 per night
		\$750 00 per week
	Corporate Rate	\$ 99 00 per night

Special Rates or Promotional Rates may be extended to certain groups and organizations

Restaurant at Lodge/Hotel	Breakfast
	Lunch
	Dinner
	Room Service
	Banquet Facilities
	Lounge
	Fine Dining Restaurant

Cabins -	Small Size	(2 Bedrooms)
	Medium Size	(2 & 3 Bedrooms)
	Family/Group	(4 Bedrooms)
	Rates	\$100 00 per night per Bedroom

Larger Picnic Shelter	Daily Rates
-----------------------	-------------

EXHIBIT D

ANNUAL OPERATIONAL REPORT

APB_00143

Annual Operational Report

- I Basic Information**
 - A Facility Name
 - B Lessee Name
 - C Name, Address, E-Mail, Phone Number of primary contact person
 - D Reporting Period
- II Facility Summary**
 - A Structural Modifications – identify any facilities or amenities that were retired or added during the report period For additions, also provide a copy of the Lessor’s approval letter
 - B Facility Inventory –inventory of all structures and amenities on the leased premises at the end of the reporting period
- III Third Party Agreement Summary**
 - A Identify any contracts or agreements with third parties for the sale of goods or services on the Leased Premises during the reporting period, and provide a copy of the Lessor’s approval letter for each.
- IV User Summary**
 - A Provide a summary of the numbers of public recreational users of the Leased Premises during the reporting period
- V Financial Summary**
 - A Total Debits
 - 1 O&M – Lessee’s total Operating and Maintenance expenses for the Leased Premises during the reporting period
 - 2 Capital – Lessee’s total payments toward obligations incurred for capital improvements on Leased Premises during the reporting period
 - 3 Total – Lessee’s total debits for the Leased Premises during the reporting period

B Total Credits

- 1 User Fees – Total income obtained by Lessee from users of the Leased Premises during the reporting period
- 2 Payments from Vendors or Third Party Contractors – Total income obtained by Lessee from vendors and contractors selling goods and/or services from the Leased Premises during the reporting period
- 3 Other Lessee Credits – Total contributions received from other sources (e g donations) by Lessee for use of the Leased Premises during the reporting period
- 4 Grants – Total of funds provided by grant sources for O&M or Capital Improvements during the reporting period
- 5 Total Credits – Lessee's total credits for the Leased Premises during the reporting period

C Net Cost of Operation – Total Debits minus Total Credits

- 1 Note If total Debits are less than Total Credits, provide an explanation of how excess credits were used, to demonstrate compliance with the lease terms, Paragraph 7 User Fees and Hours of Operation

D Cumulative Total Capital Investment

- 1 Cumulative total investment Lessee has made, by itself, through third party contractors, from grants, or from donations during the life of the lease

VI Insurance Identification

- A Provide a brief description of the current means of compliance with the lease terms, Paragraph 30 Insurance by Lessee

VII Annual Inspection Results

- A Identify the names of participants and date of annual inspection required by the lease terms, Paragraph 8 Joint Annual Inspection
Identify any major action items required and the status of completing each

EXHIBIT E

FERC ORDER NUMBER 313

COMMISSION RECREATION POLICY

APB_00146

COMMISSION RECREATION POLICY

ORDER NO 313 - DOCKET NO R-294

As Amended By

ORDER NO 375-B - DOCKET NO R-294

And

ORDER NO 508 - DOCKET NO RM74-21

Federal Power Commission Order No 313, issued and effective December 27, 1965, amended Part 2, General Policy and Interpretation, Subchapter A, Chapter I of Title 18, Code of Federal Regulations, by adding a new Section 2 7 entitled "Recreational development at licensed projects " Order No 375-B, issued and effective April 14, 1970, amended subparagraph (f) thereof Section 2 7, as amended, reads as follows

§2 7 Recreational development at licensed projects

The Commission will evaluate the recreational resources of all projects under federal license or applications therefor and seek, within its authority, the ultimate development of these resources, consistent with the needs of the area to the extent that such development is not inconsistent with the primary purpose of the project Reasonable expenditures by a licensee for public recreational development pursuant to an approved plan, including the purchase of land, will be included as part of the project cost The Commission will not object to licensees and operators of recreational facilities within the boundaries of a project charging reasonable fees to users of such facilities in order to help defray the cost of constructing, operating, and maintaining such facilities

The Commission expects the licensee to assume the following responsibilities

- (a) To acquire in fee and include within the project boundary enough land to assure optimum development of the recreational resources afforded by the project To the extent consistent with the other objectives of the license, such lands to be acquired in fee for recreational purposes shall include the lands adjacent to the exterior margin of any project reservoir plus all other project lands specified in any approved recreational use plan for the project

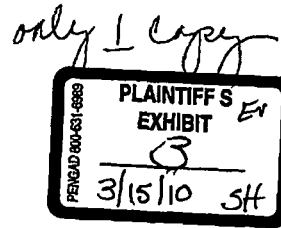
- (b) To develop suitable public recreational facilities upon project lands and waters and to make provisions for adequate public access to such project facilities and waters and to include therein consideration of the needs of physically handicapped individuals in the design and construction of such project facilities and access
- (c) To encourage and cooperate with appropriate local, state, and federal agencies and other interested entities in the determination of public recreation needs and to cooperate in the preparation of plans to meet these needs, including those for sport fishing and hunting
- (d) To encourage governmental agencies and private interests, such as operators of user-fee facilities; to assist in carrying out plans for recreation, including operation and adequate maintenance of recreational areas and facilities
- (e) To cooperate with local, state, and federal government agencies in planning, providing, operating, and maintaining facilities for recreational use of public lands administered by those agencies adjacent to the project area
- (f)
 - (1) To comply with federal, state and local regulations for health, sanitation, and public safety, and to cooperate with law enforcement authorities in the development of additional necessary regulations for such purposes
 - (2) To provide either by itself or through arrangement with others for facilities to process adequately sewage, litter, and other wastes from recreation facilities including wastes from watercraft, at recreation facilities maintained and operated by the licensee or its concessionaires
- (g) To ensure public access and recreational use of project lands and waters without regard to race, color, sex, religious creed or national origin
- (h) To inform the public of the opportunities for recreation at licensed projects, as well as of rules governing the accessibility and use of recreational facilities

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON FILE IN THIS OFFICE

JUL 17 2009

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

Mark Hammond ARTICLES OF INCORPORATION
SECRETARY OF STATE OF SOUTH CAROLINA



- 1 The name of the proposed corporation is WARPATH DEVELOPMENT INC
- 2 The initial registered office of the corporation is 109 Boucillon Drive, Greenville, SC 29615 (Greenville County), and the initial registered agent at such address is Andrew P Ballard

I hereby consent to the appointment as registered agent of the corporation

Andrew P Ballard
Agent's Signature

- 3 The corporation is authorized to issue shares of stock as follows Complete a or b whichever is applicable

a (X) The corporation is authorized to issue a single class of shares the total number of shares authorized is 100 000

b () The corporation is authorized to issue more than one class of shares

Class of shares	Authorized No of Each Class
_____	_____
_____	_____
_____	_____

The relative right, preference, and limitations of the shares of each class and of each series within a class are as follows

None

- 4 The existence of the corporation shall begin as of the filing date with the Secretary of State unless a delayed date is indicated (see §33-1-230(b) of the 1976 South Carolina Code of Laws as amended) _____
- 5 The optional provisions which the corporation elects to include in the articles of incorporation are as follows (see the applicable provisions of §33-2-102, §35-2-105 and §35-2-221 of the 1976 South Carolina Code of Laws, as amended)
 - a Pre-emptive rights of stockholders shall apply without exception to all common stock issued by this corporation for any consideration whatsoever Pre-emptive rights shall not apply to preferred stock or holders thereof
 - b This corporation is authorized to purchase shares of its own stock common or preferred from either earned surplus or capital surplus upon authorization by the Board of Directors

040913-0097 FILED 09/09/2004
WARPATH DEVELOPMENT INC
Filing Fee \$135.00 ORIG
Mark Hammond South Carolina Secretary of State



WARPATH DEVELOPMENT, INC

Name of Corporation

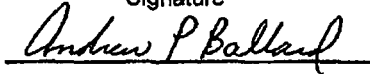
- 6 The name address and signature of each Incorporator is as follows (only one required)

Name

Address

Signature

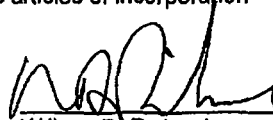
Andrew P Ballard 109 Boucilion Drive
Greenville, SC 29615



- 7 I William D Richardson an attorney licensed to practice in the State of South Carolina certify that the corporation, to whose articles of incorporation this certificate is attached, has complied with the requirements of Chapter 2, Title 33 of the 1976 South Carolina Code of Laws, as amended, relating to the articles of incorporation

Date

9/8/04



William D Richardson
201 Lavinia Avenue
P O Box 26718
Greenville, SC 29616
(864) 242-6631

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON FILE IN THIS OFFICE

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

JUL 17 2009

NOTICE OF CHANGE OF REGISTERED OFFICE
OR REGISTERED AGENT OR BOTH
OF A SOUTH CAROLINA
OR FOREIGN CORPORATION

Mark Hammond
SECRETARY OF STATE OF SOUTH CAROLINA

TYPE OR PRINT CLEARLY IN BLACK INK

Pursuant to Sections 33-5 102 and 33-15 108 of the 1976 South Carolina Code of Laws as amended the undersigned corporation submits the following information

- 1 The name of the corporation is WARPATH DEVELOPMENT, INC
- 2 The corporation is (complete either a or b whichever is applicable)
 - a a domestic corporation incorporated in South Carolina on 9/9/2004 or
 - b a foreign corporation incorporated in _____ on _____, and
State Date
authorized to do business in South Carolina on _____
Date
- 3 The street address of the present registered office in South Carolina is 109 BOWCILLION DRIVE
Street & Number
in the city of GREENVILLE South Carolina 29615
Zip Code
- 4 If the current registered office is to be changed the street address to which its registered office is
to be changed is 501 BRIXTON CIRCLE in the city of SIMMONSVILLE South
Street Address
Carolina 29681
Zip Code
- 5 The name of the present registered agent is ANDREW P BALLARD
- 6 If the current registered agent is to be changed the name of the successor registered agent is
RICK THOENNES

I hereby consent to the appointment as registered agent of the corporation

[Signature]
Signature of New Registered Agent

- 7 The address of the registered office and the address of the business office of the registered agent as changed will be identical
- 8 Unless a delayed date is specified this will be effective upon acceptance for filing by the Secretary of State (See Section 33 1 230(b) of the 1976 South Carolina Code of Laws as amended _____)

*Pursuant to Sections 33 5 102(5) and 33 5 108(5) of the 1976 South Carolina Code of Laws as amended the written consent of the registered agent may be attached to this form

070626-0136 FILED 06/21/2007
WARPATH DEVELOPMENT INC

Filing Fee \$10.00 ORIG



Mark Hammond

South Carolina Secretary of State

WARPATH DEVELOPMENT, INC
Name of Corporation

Date 6/15/07

WARPATH DEVELOPMENT, INC
Name of Corporation

Signature

RICK THOENNES
Type or Print Name and Title

TREASURER

FILING INSTRUCTIONS

- 1 Two copies of this form the original and either a duplicate original or a conformed copy must be filed
- 2 Filing Fee (payable to the Secretary of State at the time of filing this document) - \$10 00
- 3 Pursuant to Section 33-5 102(b) of the 1976 South Carolina Code of Laws as amended the registered agent can file this when the only change is the street address of the registered office In this situation the following statement should be typed on the form above the registered agent's signature "The corporation has been notified of this change In this case the filing fee is \$2 00

Return to Secretary of State
P O Box 11350
Columbia SC 29211

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON FILE IN THIS OFFICE

JUL 17 2009

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

Mark Hammond
SECRETARY OF STATE OF SOUTH CAROLINA

NOTICE OF CHANGE OF REGISTERED OFFICE
OR REGISTERED AGENT OR BOTH
OF A SOUTH CAROLINA
OR FOREIGN CORPORATION

TYPE OR PRINT CLEARLY IN BLACK INK

Pursuant to Sections 33 5 102 and 33 15 108 of the 1976 South Carolina Code of Laws as amended the undersigned corporation submits the following information

- 1 The name of the corporation is Warpath Development, Inc
- 2 The corporation is (complete either a or b whichever is applicable)
 - a a domestic corporation incorporated in South Carolina on 9-9-2004 or
 - b a foreign corporation incorporated in _____ on _____ and
State Date
authorized to do business in South Carolina on _____
Date
- 3 The street address of the present registered office in South Carolina is 501 Brixton Circle
in the city of Simpsonville South Carolina 29681
Street & Number Zip Code
- 4 If the current registered agent's office is to be changed the street address to which its registered office is
to be changed is 68 Pointe Cir, Suite 2101 in the city of Greenville South
Carolina 29615
Street Address Zip Code
- 5 The name of the present registered agent is Rick Thoennes
- 6 If the current registered agent is to be changed the name of the successor registered agent is _____

I hereby consent to the appointment as registered agent of the corporation

Signature of New Registered Agent

- 7 The address of the registered office and the address of the business office of the registered agent as changed will be identical
- 8 Unless a delayed date is specified this will be effective upon acceptance for filing by the Secretary of State (See Section 33 1 230(b) of the 1976 South Carolina Code of Laws as amended _____)

Pursuant to Sections 33 5 102(5) and 33 5 108(5) of the 1976 South Carolina Code of Laws as amended the written consent of the registered agent may be attached to this form

090324-0214 FILED 03/23/2009
WARPATH DEVELOPMENT INC
Filing Fee \$10.00 ORIG

Mark Hammond

South Carolina Secretary of State

Warpath Development, Inc.
Name of Corporation

Date 3-17-09

Warpath Development, Inc.
Name of Corporation

[Signature]
Signature

Rick Thoemes, Treasurer
Type or Print Name and Title

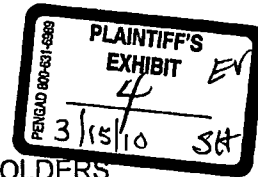
FILING INSTRUCTIONS

- 1 Two copies of this form the original and either a duplicate original or a conformed copy must be filed
- 2 Filing Fee (payable to the Secretary of State at the time of filing this document) \$10.00
- 3 Pursuant to Section 33-5-102(b) of the 1976 South Carolina Code of Laws as amended the registered agent can file this when the only change is the street address of the registered office. In this situation the following statement should be typed on the form above the registered agent's signature. The corporation has been notified of this change. In this case the filing fee is \$2.00.

Return to Secretary of State
P.O. Box 11350
Columbia SC 29211

DOM NOTICE OF CHG OF REG OFFICE OR AGT.doc

Form Revised by South Carolina
Secretary of State January 2000



MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS

OF

WARPATH DEVELOPMENT, INC

The annual meeting of the stockholders of the corporation was held at 217 E Park Avenue Greenville SC 29601 on May 1 2008 at 10 00 a m

The meeting was called to order by Jim Fayssoux the attorney of the corporation

The secretary then reported that the meeting had been called pursuant to a notice of meeting and/or waiver of notice thereof in accordance with the by-laws It was ordered that a copy of the notice be appended to the minutes of the meeting

The secretary then read the roll of stockholders from the stock transfer ledger The following stockholders were present in person or by proxy

<u>Stockholder</u>	<u>Shares</u>	<u>In Person</u>	<u>By Proxy</u>
Tim Roberson	40 000	Yes	
Rick Thoennes	20 000	Yes	
Rick Thoennes III	20 000	Yes	
Andy Ballard	20 000	Yes	

The chairman stated that majority of the total number of shares issued and outstanding was presented and the the meeting was complete and ready to transact any business before it

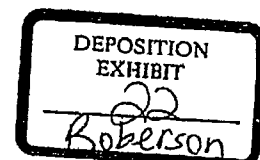
The President then gave a general report of the business and finances of the corporation

The chairmen then stated that the election of directors of the corporation was now in order The following were nominated as directors Tim Roberson and Rick Thoennes and Rick Thoennes, III

<u>Nominee</u>	<u>Number of Votes</u>
Tim Roberson	100 000
Rick Thoennes	100,000
Rick Thoennes III	100 000

The chairman declared the following nominees duly elected directors of the corporation to serve until the next annual meeting of stockholders or until their successors are elected and shall qualify

Tim Roberson Rick Thoennes and Rick Thoennes, III



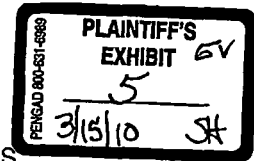
The following action was taken at the stockholder meeting

After the Board went into session the Board proposed that the corporation issue an additional 900,000 shares for the purpose of raising additional capital, paying expenses and offering employee incentives. Tim Roberson pointed out that in addition to the cost of the land to serve as a septic field the corporation had incurred another \$120,000.00 in expenses. This motion was approved unanimously presented to the stockholders where the only dissenting vote was from Andy Ballard.

There being no further business, the meeting was, on motion, adjourned.

Dated May 1, 2008

Secretary



MINUTES OF THE REGULAR MEETING OF STOCKHOLDERS
OF
WARPATH DEVELOPMENT, INC

The regular meeting of directors of the corporation was held at 217 E Park Avenue Greenville, SC 29601 on May 1, 2008 at 10 30 a m

The following were present Tim Roberson, Rick Thoennes and Rick Thoennes III being a quorum and all of the directors of the corporation

Tim Roberson was elected chairman of the meeting and Rick Thoennes was appointed secretary thereof

The secretary then presented and read to the meeting a waiver of notice of meeting, subscribed by all the directors of the corporation and it was ordered that it be appended to the minutes of the meeting

The president then rendered a general report of the business of the corporation the secretary presented his report and the treasurer rendered a report of the finances of the corporation The officers reports were received and ordered on file

The following were duly nominated and a vote having been taken were unanimously elected officers of the corporation to serve for one year until their successors are elected and shall qualify

President-CEO	Tim Roberson
Vice President	Rick Thoennes, III
Secretary-Treasurer	Rick Thoennes

Upon motion duly made and seconded Tim Roberson moved to authorize the corporation to issue 900 000 additional shares of Treasury Stock in order to raise capital pay expenses and offer employee incentives Said motion carried unanimously

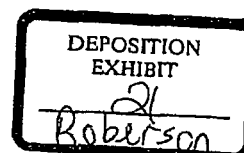
It was thereby authorized that the corporation file the necessary paper work to authorize issuance of an additional 900 000 shares

There being no further business before the meeting on motion duly made seconded and carried, the meeting adjourned

Dated May 1, 2008

Secretary

Chairman



Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys.net]
Sent Wednesday, September 26, 2007 10:37 PM
To dsjolley@duke-energy.com dsjolley@duke-energy.com
Cc rick@manck.net ricksr@manck.net apballard@msn.com
Subject Warpath Landing Master Plan
Attachments WarpathMaster Plan 092607.pdf



Dear Scott

First, let me thank you and your team for meeting with us last week. I know we must have appeared frustrated, but rest assured that we understand you have our best interests at heart as you guide us toward an acceptable solution. I believe we have addressed your concerns. Please note the following changes as illustrated on the attached document (large printed copy being mailed):

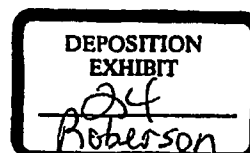
- The dock pier that crossed the beach cove has been deleted
- Rental slips have been removed from the north cove shore and replaced with campground and restaurant courtesy docks (I recall it stated that the covered rental docks were "not consistent with camping." Hopefully you'll view these slips as a valuable amenity to the camp and RV site users.)
- Removed all horizontal piers between covered docks
- With some re-working of dry-stack docks, we have been able to add an additional 10 slips (F). This gives us 102 rental slips and meets the minimum number stated in the lease.
- Last but not least, we have included a small number of houseboat slips within the reference line as illustrated. It was my understanding that the major concern as stated in our meeting was the view of "all those docks/boats when coming down the lake." As it is so critical to the funding, we ask you to consider any acceptable number (larger or smaller) for houseboats.

Once again, thank you for your patience and willingness to work with us. Feel free to call me (864-270-6368) or others of our team to discuss any aspects of this rendering.

Sincerely

Tim
17-21

9/22/2008



RTTW_000853

show

Tim W Roberson / Integrys Holdings, LLC / 864 679 3490 Voice / 864 458 3313 Fax / 864 270 6368
Cell / www.integrys.net

No virus found in this incoming message
Checked by AVG Free Edition
Version 7.5.487 / Virus Database 269.13.27/1020 Release Date 9/20/2007 12:07 PM

RTTW_000854

9/22/2008

1001

RTTW_000855



0 150 300 600 FT



Use Mix Data

Marina Pier Dock (new)	102
A Shop (11,000 sq ft)	
B Shop (11,000 sq ft)	10
C Shop (11,000 sq ft)	10
D Shop (11,000 sq ft)	10
E Shop (11,000 sq ft)	10
F Shop (11,000 sq ft)	10
Courtesy Dock (new)	2
Marina Store (new) (new)	10
Marina Restaurant	10
Dry-Stack (new) (new)	10
Cabins (new)	10
Cottages (new)	10
Campsites (new)	10
Lodges and Restaurants	10
Marina Store	3,275 SF
Marine Re. Trip & Vending Pavilion	500 SF
Marine Re. Trip & Vending Pavilion	5,500 SF
Dry-Stack, Repair & Maint. (new)	32,200 SF
Resident Manager's Cottage (new)	800 SF
Campsites	20
RV Sites	15
(4) Cabins (new) (new)	1,200 SF/EA
(2) Cabins (new) (new)	500 SF/EA
Bath & Laundry Pavilion	840 SF/EA
Plastic Shelter (new)	500 SF
Swimming Pool	500 S
(2) Sewage Pump Stations	
Swimming Beach (new) (new)	50-75 People
Swimming Beach (new) (new)	25 People
Lodge (new) (new) (new)	85,000 SF
Lodge Restaurant (new) (new)	8,000 SF
(12) Cottages (new) (new)	800 S EA
(7) Campsites (new) (new)	2,000 SF EA
Gathering Place (75 people)	1,200 SF
Ramp Restaurant	340 SF
Ramp Shelter (new) (new)	500 SF
Shower House	
(2) Fishing Piers	
Parking Car (new)	508
Marina, 5 per lot (0.02)	
Dry Dock, 27% of 200	50
Residence, 100 units (0.25)	10
Residential Manager Cottage	10
Swimming Beach	
Swimming Pool (new) (new)	10
Cabins (1 per lot) (0.02)	10
Campsites (new) (new)	10
Lodge Restaurant (new) (new)	10
Lodge Restaurant (new) (new)	10
Cottages (new) (new)	10
Gathering Place (new) (new)	10
Parking Public Ramp	
Boat Trailer Parking (new)	10
Trailer Ramp (new) (new)	10

Disclaimer: This planning schematic depicts a conceptual plan and is not intended to be used for construction or other purposes. The developer does not warrant that the ground can be constructed as proposed.

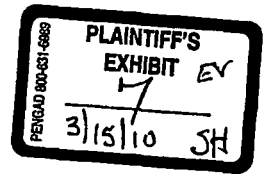
Proposed Plan



2007-008

September 26, 2007

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
OF WARPATH DEVELOPMENT, INC



PLEASE TAKE NOTICE THAT the annual meeting of shareholders of the corporation for the purpose of electing directors and the transaction of such other business as may properly come before the meeting will be held on the date and at the time and place stated below

Date of Meeting Tuesday, September 29, 2009
Time of Meeting 9 00 a m
Place of Meeting Primus Executive Suites
5 Artillery Road
Taylors, SC 29687

A slate of directors, consisting of Tim Roberson Rick Thoennes, Rick Thoennes, III and Andrew Ballard will be presented to the stockholders for consideration

Dated August 27, 2009


Secretary

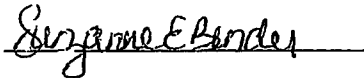
AFFIDAVIT OF MAILING OF
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
OF WARPATH DEVELOPMENT, INC

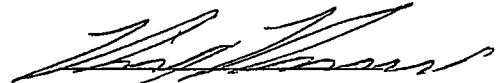
STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE

According to law deposes and says Rick Thoennes being duly sworn

I am the secretary of Warpath Development Inc that on August 27 2009 I personally deposited in a post office box in the City of Greenville County of Greenville State of South Carolina copies of the above notice of annual meeting of shareholders each enclosed in a securely sealed postage paid envelope return receipt requested one of the notices addressed to each person whose name appears on the annexed list of shareholders and to their respective post office addresses as therein set forth

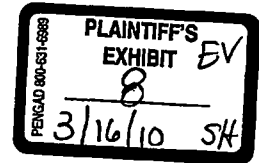
SWORN to before me on this 27th day
of August, 2009


Suzanne E. Bander


Secretary

Rick Thoennes, Sr

From r thoennes@att net
Sent Saturday March 24 2007 6 21 PM
To Tim Roberson Rick Thoennes
Subject. RE
Attachments Warpath Marina xls



Take a look I have added \$84,000/year for hotel income Strictly a guess

There is a total of \$1,000,000 for Andy

I don't think the rv & cottages are going to be a big income producer but I can be wrong

We still have restaurant income and a lot of peripheral income repairs, storage, misc

I don't beleive we can give Andy much until all permits & approvals prove to be real

Still think its a descent deal Could be sold after a couple of years at a good profit

Can we raise the equity needed (4 3 mil)

--
Marick
Office-864-232-5555
Fax-864-232-5504

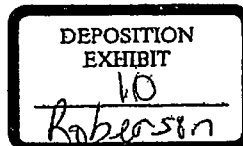
----- Original message from 'Tim Roberson'
<Tim Roberson@Integrays net> -----

Rick

The numbers look good as is but the reality is the loan might be 60% equity required Also Andy stated that he wanted \$1M if he sold 60%, but of course this is negotiable I would think we should give him the \$1M but take 90% of the deal

I didn't pick up any numbers for subleasing the hotel fees for overseeing construction contractor, or any revenue sharing from hotel operations and cabin, campsite and RV

9/22/2008



RTTW_000562

ops Are you saying that we would only want to do the mariner, or are you saying that the rest is icing on the cake?

Andy has called me twice to tell me he is holding off discussions with another group No way of knowing if this is true

Tim



Tim W Roberson / Integrys Holdings, LLC / 864 679 3490 Voice / 864 458 3313 Fax / 864 270 6368 Cell / www.integrys.net

From r thoennes@att.net [mailto:r thoennes@att.net]
Sent Friday, March 23, 2007 11 01 AM
To Tim Roberson
Cc. Rick Thoennes III
Subject

Tim, attached is a preliminary proforma This is for the marina only Includes road, sewer and water for entire project Not just marina Assume a 100% loan which we know is impossible Assumes \$500,000 for the current developer Assumes sewer to Seneca sewer system

-
Marick
Office-864 232-5555
Fax-864-232-5504

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Checked by AVG Free Edition
Version 7.5.446 / Virus Database 268.18.17/731 Release Date 3/23/2007 3:27 PM

9/22/2008

RTTW_000563

Keowee Marina and Yacht Club

Input Information					
Keowee Marina and Yacht Club	#		\$		
25' wet	60	Rent	300		
30' wet	60	Rent	350		
40' wet	40	Rent	400		
100' wet	40	Rent	700		
25' dry	100	Rent	275		
30' dry	50	Rent	325		
35' dry	50	Rent	375		
Hotel lease	1	Rent	7 000		
Gas Sales Profit	0	Rent	0 00		
Amt. Financed	3 000 000				
Cap Rate	9 0%	Debt Prnt		\$24 139	
Expenses/year/unit		Int Rate		9 0%	
Rental	200	Term (mos)		360	
Payroll	600				
Management Fee	1%	Vac Rate		5%	
Utilities	100				
Maintenance & Repair	100	Updated		9/22/2008	
Property Taxes	300				
Insurance	150				
Total Land Cost	0				
No Acres	5 00				
Slips per Acre	80 0				
Construction Time	12 (in Months)				
Construction Hard Costs	5 702,400	Per Slip			
Architectural & Engineering	200 000	500 Per Slip			
Legal (stamps recording etc)	50,000				
Financing Costs (points & closing)	30 000	Loan to Value		21 0%	
Construction Interest	135 000				
Corporate Liability Insurance	10 000	Loan to Cost		40 8%	
ships store	0				
Project Management	1 075 000	80% Loan to Show			
Contingency	0	Cost of		9 196 750	
Overhead & Carrying Costs	20 000	Total Dev Cost		7 357 400	
Advance Rents (Negative)	0	Difference			
Reserve for Fill Up	0				
		80% of cost=		5 885 920	
Original date of proforma	3/15/07				

RTTW_000564

9/22/2008

1 47 PM

Warpath Marina (2) xls

Keowee Marina and Yacht Club

Total Construction Budget	5 702 400
Marketing etc	0
Insurance	10 000
Overhead	20 000
Advance Rents	0
Reserve	0
Land	0
Legal	50 000
Project Admin	1 075 000
Total	6 857,400
Total Development Budget	#####
Difference	500000

RTTW_000565

9/22/2008 1 47 PM

Warpath Marina (2) xls

Keowee Marina and Yacht Club

Item	Proposed Budget	Per Slip
Equipment		
Rental	10 000	24 94
Fee		0 00
Labor		
General	10 000	24 94
Punch		0 00
Vehicle Expense	10 000	24 94
Sub Total	20 000	49 88
Materials		
a		0 00
b		0 00
c		0 00
d		0 00
Sub Total	0	0 00
Overhead		
Blueprints	1 000	2 49
Contingency	50 000	124 69
Dumpster (Construction)	20 000	49 88
Insurance (Builder's Risk)	15 000	37 41
Interest & Financing Costs		0 00
Office (Temporary)	6 000	14 96
Permits & Fees	10 000	24 94
Power (Temporary)	5 000	12 47
Telephone (Construction)	5 000	12 47
Toilets (Portable)	1 400	3 49
Tools	10 000	24 94
Travel	10 000	24 94
Water (Temporary)	2 000	4 99
Sub Total	135 400	337 86
Subcontracts		
Preliminary site plans	2 000	4 99
Architectural & Engineering	0	0 00
Grading & clearing	150 000	374 06
Sewer	500 000	1 246 88
Water	500 000	1 246 88
Electric	10 000	24 94
Cable		0 00
Site drainage	100 000	249 38
Docks wet	2 000 000	4 987 53
Docks dry	1 000 000	2 493 77
Marina	200 000	498 75
Pool	100 000	249 38
Tennis	50 000	124 69

RTTW_000566

9/22/2008 1 47 PM

Warpath Marina (2) xls

Keowee Marina and Yacht Club

Item	Proposed Budget	Per Slip
Amenities-other	75 000	187 03
Roads	750 000	1 870 32
Entrance	100 000	249 38
Building H		0 00
Building I		0 00
Building J		0 00
Sub Total	5 537 000	13,807 98
Total	5,702,400	14 220 45
Per Slip	14,220	

RTTW_000567

9/22/2008 1 47 PM

Warpath Manna (2) xls

Keowee Marina and Yacht Club

Sale of Project		
Item	Total Project	Per Slip
Net Operating Income (NOI)	\$1 286 843	\$3 217
Capitalization Rate	9 0%	-----
Sales Value	\$14 298 256	\$35 746
Costs		
Land	0	0
Hard Costs	5 702 400	14 256
Soft Costs	1 655 000	4,138
Total Costs	7 357 400	18 394
Gross Profit	\$6 940 856	\$17 352
Closing Costs @ 3%	428 948	1 072
Net Profit From Sale	<u>\$6,511,908</u>	<u>\$16,280</u>
Updated On 9/22/2008		

RTTW_000568

9/22/2008

1 47 PM

Warpath Marina (2).xls

Warpath Marina and Resort Center

Development Budget			
Item	Project Costs	Cost Per Slip	Cost Per Foot
Total Land Cost	\$0	\$0	#REF!
Construction Hard Costs	5 702 400	14 256	#REF!
Architectural & Engineering	200 000	500	#REF!
Legal (stamps recording etc)	50,000	125	#REF!
Financing Costs (points & closing)	165 000	413	#REF!
Construction Interest	135 000	338	#REF!
Corporate Liability Insurance	10 000	25	#REF!
Ships store	0	0	#REF!
Project Administration (1)	1 075 000	2 688	#REF!
Contingency (Construction & Dev)	0	0	#REF!
Overhead and Carrying Costs (2)	20 000	50	#REF!
Advance Rents (During Construction)	0	0	#REF!
Reserve for Operation (3)	0	0	#REF!
Total Development Budget	\$7,357,400	\$18,394	#REF!
Updated On 9/22/2008			
(1) Taxes signage working capital and appraisals			
(2) Development overhead office exp market studies and misc overhead			
(3) Negative cash flow during rent up			

RTTW_000569

9/22/2008

1:47 PM

Warpath Marina (2).xls

Warpath Marina and Resort Center

Summary						
Item	@ 95% Occupancy	@ 90% Occupancy	@ 85% Occupancy	@ 80% Occupancy	@ 75% Occupancy	@ 70% Occupancy
Number of Acres	5 00	5 00	5 00	5 00	5 00	5 00
Slips Per Acre	80	80	80	80	80	80
Total Cost	\$7,357,400	\$7,357,400	\$7,357,400	\$7,357,400	\$7,357,400	\$7,357,400
Net Operating Income	\$1,286,843	\$1,210,566	\$1,141,649	\$1,054,766	\$1,003,814	\$916,932
Debt Payment	289,664	289,664	289,664	289,664	289,664	289,664
Excess Cash Flow	\$997,179	\$920,902	\$851,985	\$765,102	\$714,150	\$627,267

Sale of Project	
Net Sale Price	\$13,869,308
Cost	7,357,400
Profit From Sale	\$6,511,908

Equity Requirements	
Cost	\$7,357,400
Mortgage	3,000,000
Equity Required	\$4,357,400

This scenario assumes a capital investment of \$4,357,400

Investors would sign personally for financing

Mortgage payments are for \$3,000,000 (Principal) 9.0% (Int Rate) 30 (Term Years)

Project completion in 12 months

Updated On 9/22/2008

RTTW_000570

9/22/2008

1:20 PM

Warpath Marina (2).xls

Warpath Marina and Resort Center

Proforma Income and Expense (Stabilized)			
Item	Annually	%	Per Slip
<u>Income</u>			
Gross Rental Income	\$1 830 000		\$4 575
Less 5% Vacancy	91,500		229
Effective Gross Income	\$1 738 500		\$4 346
Miscellaneous Income	147,200		368
Total Revenue	\$1,885 700	100%	\$4 714
<u>Expenses</u>			
Rental	\$80 000	4%	\$200
Payroll	240 000	13%	600
Management Fees	18 857	1%	47
Utilities	40 000	2%	100
Maintenance and Replacement	40 000	2%	100
Property Taxes	120 000	6%	300
Insurance	60 000	3%	150
Total Expenses	\$598 857	32%	\$1 497
Net Operating Income (NOI)	\$1 286 843	68%	\$3,217
Updated On 9/22/2008			

RTTW_000571

9/22/2008

1:47 PM

Warpath Marina (2).xls

Warpath Marina Resort Center

Slip Profile				
Type of Slip	Number of Slips	Monthly Rent Per Slip	Total Monthly Rent	Total Annual Rent
25' wet	60	300	18 000	216,000
30' wet	60	350	21 000	252 000
40 wet	40	400	16 000	192 000
100 wet	40	700	28,000	336 000
25' dry	100	275	27 500	330,000
30' dry	50	325	16,250	195 000
35' dry	50	375	18 750	225 000
Hotel lease	1	7 000	7 000	84 000
Gas Sales Profit	0	0	0	0
Totals	400	\$381	\$152,500	\$1,830,000
	(Total)	(Average)	(Total)	(Total)
Updated On 9/22/08				

Miscellaneous Income

Income Source	Monthly Rent	Annual Rent	Per Slip
Boat rental	3 333	40 000	100
Deposits		0	0
Dump fees	267	3 200	8
Fuel services profit	6 667	80 000	200
Launch fees		0	0
Marine repair		0	0
Restaurant		0	0
Ship store profit	1 000	12 000	30
Storage fees	1 000	12 000	30
Misc		0	0
Other		0	0
Other		0	0
Other		0	0
Other		0	0
Totals		147 200	368

RTTW_000572

9/22/2008

1:47 PM

Warpath Marina (2).xls

Rick Thoennes, Sr

From Rick Thoennes [r.thoennes@att.net]
Sent Tuesday, May 08, 2007 3:33 PM
To 'Amanda Turner'
Subject Warpath



Please pass this on to Jim

We are purchasing 20,000 shares of stock in Warpath Development, Inc. from Andy Ballard

This should represent 80% of the corporation. It is a 'C' corp.

I will let you know what entity will buy the shares. Tim Roberson and Rick III & I will be partners. Tim 50%, Rick III-25%, Rick Sr-25%. Our accountant is letting me know what kind of entity to take title.

\$1,000,000.00 for the 20,000 shares. Payable at closing.

\$100,000.00 payable at grand opening of Manna.

\$50,000.00 payable for 1 year after grand opening.

\$1,000,000.00 refundable if we cannot obtain dock permits.

Service agreement for Andy to help secure dock permits, building permits, hotel lease, restaurant leases, engineering, architectural, and any other services needed to complete the conceptual plan for Warpath Landing.

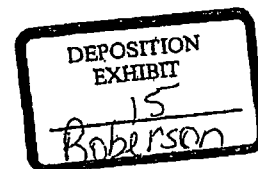
Does the agreement need to be with Andy Ballard since he owns the stock? Warpath Development, Inc. must remain a viable entity since they own the lease for the property from Duke.

I am on my way to a meeting with Wally at 4 pm at your office if you have questions.

Please let me know when we can have a draft of the agreement.

Rick Sr.

No virus found in this outgoing message
Checked by AVG Free Edition
Version 7.5.467 / Virus Database 269.6.5/793 Release Date 5/7/2007 2:55 PM

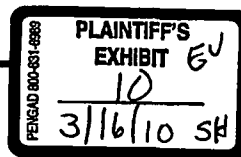


9/22/2008

RTTW_000547

Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys net]
Sent Sunday, October 28, 2007 4:26 PM
To ricksr@marick net nck@marick net
Subject RE Warpath



I suggest that you say " until Spring of 2011 " when discussing phase 2 That will sound like a long, long time from now You might say something that as it now shows, it could be years before there are any owner cash disbursements due to having to pay back the equity first, etc , etc I think he will take his 1M and run after a little threatening, posturing and whining

-----Original Message-----

From Rick Thoennes, Sr [mailto:ricksr@marick net]
Sent Sunday, October 28, 2007 12:26 PM
To rick@marick net
Cc Tim Roberson
Subject RE Warpath

Check the changes below I think we need to hold the 20% option as an ace in the hole It may give him an out that he comes up with Will wait to hear from Tim

-----Original Message-----

From rick@marick net [mailto:rick@marick net]
Sent Sunday, October 28, 2007 11:54 AM
To ricksr@marick net
Cc 'Tim Roberson'
Subject Re Warpath

I would not ask him to consider a few things I would be a little more direct I would tell him these are the options and he needs to let us know which option he would like to take

I also would not say "I guess" before the 2 options I would just say "here are the two options we have" Also if he returns a portion of the 1mm it does not say anything about the 20% Don't we want to get him out of the deal? I would rather him keep the 1mm and give back the 20% He isn't going to have any cash to give back anyway I would let him keep the 1mm give back the 20% and give no future payments

Option 2 would stay like it is

My thoughts

Rick III

,Quoting "Rick Thoennes, Sr" <ricksr@marick net>

> Tim & Rick, this is the email I would propose to send Please correct,
> add or delete and send it back to me

>

>

>

> Andy, We need you to consider a couple of things

>

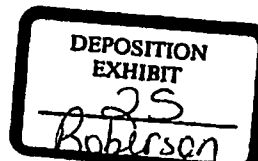
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>

> The approvals from Duke did not come as fast or in the way that we had
> hoped As you know, all of our proformas were based on the 200 paying
> slips By cutting those in 4 and by delaying us past next spring
> (effectively 1 more year), the
> numbers have changed drastically

>

1



RTTW_000849

>
>
> The delay also moves the 2nd phase (lodge, restaurant & cottages) out
> another year Tim, Rick III and I have discussed all of this and we
> all agree that we would have struck a different deal if we had known
> we could not get 200 slips and get approvals in a timely manner We
> would have had
to
> do 1 of 2 things Pay less and not have 4 partners or not do the deal
> at all The amount of return on investment is just not there at 100 slips
>
>
>
> We did all of our due diligence based upon the fact that we would get
> 200 slips and be able to open in spring of 2008
>
>
> I believe the only options are
>
>
>
> 1 Return a sizeable portion of the \$1 mil and continue on or
> 2 Return all of the \$1 mil and you can sell it to someone else
>
> Please give this consideration and let us know the option you prefer
>
> Rick Thoennes
>
>
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> Version 7.5.488 / Virus Database 269 15 8/1089 - Release Date
10/23/2007
> 7 39 PM
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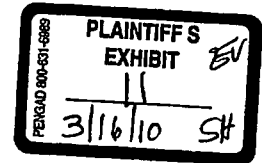
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7 39 PM

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Checked by AVG Free Edition
Version 7.5.488 / Virus Database 269 15 8/1089 - Release Date 10/23/2007 7 39 PM

Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys.net]
Sent Friday, December 28, 2007 5:24 PM
To ricksr@marick.net
Subject Warpath business problem



Hey Rick,

I just wanted to share my thoughts with you concerning the issue we have now that it's clear Andy did not deliver what we thought we were buying. As we've discussed, we are in a real dilemma regarding both ROI from lack of expected revenues and whether we should push to make up time or hold back another year for opening.

In our meeting with Andy, we talked about three options:

You suggested that Andy give back a substantial part of the money we paid for the project lease and opportunity.

Ricky suggested that he give back some stock.

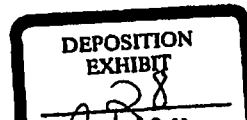
I suggested that we all will have to put in more value, e.g., money, sweat equity, or something.

Of course, the only one who was not in agreement was Andy. He did say that he would propose a solution the first week of January. In the meantime, I've been thinking about an option if none other presents itself. If Andy is not willing to return cash or stock, I suggest that I take the following stance at our next meeting:

For every business problem, there is a business solution. I would call for a shareholder's meeting with the majority of the shareholders voting to waive their right to a 30-day notice. I would ask that we then elect a new board of directors. I would ask that I be named Chairman with the authority to craft a refinance plan. (We also would name new officers.)

When an investor realizes that an expected ROI is not forthcoming, his only viable option is to acquire more equity at a reduced rate. In order to properly refinance the project, I would suggest that we increase the number of outstanding shares to 500,000 with a mixture of both preferred and common stock. As long as the outstanding shares remain in the treasury, there is no dilution of current shareholders. However, those outstanding shares could be used as tender (same as cash) to accomplish the needs of the corporation. With board approval, shares (and/or options) could be used as investment incentive, management fees, employee incentives, etc.

9/22/2008



RTTW_000812

I believe with legal review and proper planning we should be able to accomplish the needs of a viable business and appropriate ROI

Let me know your thoughts

Tim

↓↑↗

Tim W Roberson / Integrys Holdings, LLC / 864 679 3490 Voice / 864 458 3313 Fax / 864 270 6368
Cell / www.integrys.net

No virus found in this incoming message
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Version 7.5.516 / Virus Database 269 17 11/1200 Release Date 12/27/2007 1 34 PM

RTTW_000813

9/22/2008

Rick Thoennes, Sr

From Rick Thoennes [r thoennes@att net]
Sent Thursday March 29 2007 6 32 PM
To 'Tim Roberson' Rick Thoennes'
Subject Warpath
Attachments Warpath Manna proforma with hotel rest rv xls



Attached is yet another proforma I have lowered the slip rents added hotel restaurant, rv park Uped the income from ship store

Andy thinks we can get \$3 mil from hotel up front If we can get \$2 mil for the hotel and \$1 mil for restaurant we would have no investment once we secure their funds We will need 2mil until that time Plus 1 mil left over to lower borrowed amount or pocket a mil Sounds dishonest (that's a joke)

I am at a loss as to what we need to offer Andy How to structure deal Tim & Rick III this sounds like part of your expertise I don't think he can control this All indications are he is in over his head and is holding on to the lease which will keep him from going under I know someone is going to do it soon if it is not us

I think the attached proformas are conservative We should be able to command higher slip rentals 1mil is in there for Andy That is negotiable I am sure

We need minimum of 30 days to satisfy

Sewer
Water
Duke docks
FERC docks
Pickens County for 6 story hotel
Who controls choice of engineer & architect
Bank interest & lease problems

We need to let him know by Monday or Tuesday He has given us permission to talk to Stuart Anderson who did the lease He can tell us if the bank can secure their position for loan If Rick III & Tim need to talk please feel free

The older Rick

--
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Version 7.5.446 / Virus Database 268.18.20/737 Release Date 3/28/2007 4:23 PM



RTTW_000552

9/22/2008

Warpath Marina and Resort Center

Input Information					
Keowee Marina and Yacht Club	#			\$	
25' wet	60	Rent	300		
30' wet	60	Rent	350		
40' wet	40	Rent	400		
100' wet	40	Rent	700		
25'-dry	115	Rent	275		
30'-dry	65	Rent	325		
35'-dry	20	Rent	375		
	0	Rent	0		
	0	Rent	0 00		
Amt Financed	6 700 000				
Cap Rate	9 0%	Debt Pmt		\$53 910	
Expenses/year/unit		Int Rate		9 0%	
Rental	200	Term (mos)		360	
Payroll	600				
Management Fee	1%	Vac Rate		5%	
Utilities	100				
Maintenance & Repair	100	Updated		9/22/2008	
Property Taxes	300				
Insurance	150				
Total Land Cost	0				
No Acres	5 00				
Slips per Acre	80 0				
Construction Time	12 (in Months)				
Construction Hard Costs	6,652,400	Per Slip			
Architectural & Engineering	200 000	500 Per Slip			
Legal (stamps recording etc)	50 000				
Financing Costs (points & closing)	67 000	Loan to Value		51 3%	
Construction Interest	301 500				
Corporate Liability Insurance	10 000	Loan to Cost		77 2%	
ships store	0				
Project Management	1,075 000	80% Loan to Show			
Contingency	0	Cost of		10 846,750	
Overhead & Carrying Costs	20 000	Total Dev Cost		8 677 400	
Advance Rents (Negative)	0	Difference			
Reserve for Fill Up	0				
		80% of cost=		6 941,920	
Original date of proforma	3/15/07				

RTTW_000553

9/22/2008

2 12 PM

Warpath Marina proforma with hotel rest rv xls

Keowee Marina and Yacht Club

Total Construction Budget	6 652 400
Marketing etc	0
Insurance	10 000
Overhead	20 000
Advance Rents	0
Reserve	0
Land	0
Legal	50 000
Project Admin	1 075 000
Total	7 807 400
Total Development Budget	#####
Difference	-870000

RTTW_000554

9/22/2008 2:12 PM

Warpah Marina proforma with hotel rest rv xls

Warpath Marina Resort Center

Item	Proposed Budget	Per Slip
Equipment		
Rental	10 000	25 00
Fee		0 00
Labor		
General	10 000	25 00
Punch		0 00
Vehicle Expense	10 000	25 00
Sub Total	20 000	50 00
Materials		
a		0 00
b		0 00
c		0 00
d		0 00
Sub Total	0	0 00
Overhead		
Blueprints	1 000	2 50
Contingency	50 000	125 00
Dumpster (Construction)	20 000	50 00
Insurance (Builder's Risk)	15 000	37 50
Interest & Financing Costs		0 00
Office (Temporary)	6 000	15 00
Permits & Fees	10 000	25 00
Power (Temporary)	5 000	12 50
Telephone (Construction)	5 000	12 50
Toilets (Portable)	1 400	3 50
Tools	10 000	25 00
Travel	10 000	25 00
Water (Temporary)	2,000	5 00
Sub Total	135 400	338 50
Subcontracts		
Preliminary site plans	2 000	5 00
Architectural & Engineering	0	0 00
Grading & clearing	150 000	375 00
Sewer	750 000	1 875 00
Water	300 000	750 00
Electric	10 000	25 00
Shoreline stabilization (2 000 Ft)	150 000	375 00
Site drainage	100,000	250 00
Docks wet	2 450 000	6 125 00
Docks-dry	1 000 000	2 500 00
Marina	200 000	500 00
Pool	100 000	250 00
Tennis	50 000	125 00

RTTW_000555

9/22/2008 2 12 PM

Warpath Marina proforma with hotel rest rv xls

Warpath Marina Resort Center

Item	Proposed Budget	Per Slip
Amenities-other	75 000	187 50
Roads	750 000	1 875 00
Entrance	100 000	250 00
RV park	300 000	750 00
Building I		0 00
Building J		0 00
Sub Total	6 487 000	16 217 50
Total	6 652 400	16,631 00
Per Slip	16 631	

RTTW_000556

9/22/2008 2:12 PM

Warpath Marina proforma with hotel rest rv.xls

Warpath Marina and Resort Center

Sale of Project		
Item	Total Project	Per Slip
Net Operating Income (NOI)	\$1,174 726	\$2,937
Capitalization Rate	9 0%	-----
Sales Value	\$13 052 506	\$32 631
Costs		
Land	0	0
Hard Costs	6 652 400	16 631
Soft Costs	2,025 000	5,063
Total Costs	<u>8 677 400</u>	<u>21 694</u>
Gross Profit	\$4 375 106	\$10 938
Closing Costs @ 3%	391 575	979
Net Profit From Sale	<u><u>\$3,983,530</u></u>	<u><u>\$9,959</u></u>
Updated On 9/22/2008		

RTTW_000557

9/22/2008

2:12 PM

Warpath Marina proforma with hotel rest rv xls

Warpath Marina and Resort Center

Development Budget			
Item	Project Costs	Cost Per Ship	Cost Per Foot
Total Land Cost	\$0	\$0	#REF!
Construction Hard Costs	6 652 400	16 631	#REF!
Architectural & Engineering	200 000	500	#REF!
Legal (stamps, recording etc)	50 000	125	#REF!
Financing Costs (points & closing)	368 500	921	#REF!
Construction Interest	301 500	754	#REF!
Corporate Liability Insurance	10 000	25	#REF!
Ships store	0	0	#REF!
Project Administration (1)	1 075,000	2 688	#REF!
Contingency (Construction & Dev)	0	0	#REF!
Overhead and Carrying Costs (2)	20 000	50	#REF!
Advance Rents (During Construction)	0	0	#REF!
Reserve for Operation (3)	0	0	#REF!
Total Development Budget	\$8,677,400	\$21,694	#REF!
Updated On 9/22/2008			
(1) Taxes signage, working capital and appraisals			
(2) Development overhead office exp market studies and misc overhead			
(3) Negative cash flow during rent up			

RTTW_000558

9/22/2008

2 12 PM

Warpath Marina proforma with hotel rest rv xls

Warpath Marina and Resort Center

Summary						
Item	@ 95% Occupancy	@ 90% Occupancy	@ 85% Occupancy	@ 80% Occupancy	@ 75% Occupancy	@ 70% Occupancy
Number of Acres	5 00	5 00	5 00	5 00	5 00	5 00
Ships Per Acre	80	80	80	80	80	80
Total Cost	\$8 677 400	\$8,677,400	\$8 677 400	\$8 677 400	\$8,677,400	\$8 677 400
Net Operating Income	\$1,174 726	\$1 090 142	\$1 027 918	\$947 762	\$903 470	\$823,315
Debt Payment	646,917	646 917	646 917	646 917	646 917	646 917
Excess Cash Flow	\$527,809	\$443,225	\$381,001	\$300,846	\$256,554	\$176,398

Sale of Project	
Net Sale Price	\$12 660 930
Cost	8 677 400
Profit From Sale	\$3 983 530

Equity Requirements	
Cost	\$8 677 400
Mortgage	6 700 000
Equity Required	\$1 977 400

This scenario assumes a capital investment of \$1 977 400

Investors would sign personally for financing

Mortgage payments are for \$6 700 000 (Principal) 9 0% (Int. Rate) 30 (Term Years)

Project completion in 12 months

Updated On 9/22/2008

RTTW_000559

9/22/2008

2 12 PM

Warpath Marina proforma with hotel rest rv xls

Warpath Marina and Resort Center

Proforma Income and Expense (Stabilized)			
Item	Annually	%	Per Slip
<u>Income</u>			
Gross Rental Income	\$1 395 000		\$3 488
Less 5% Vacancy	<u>69,750</u>		<u>174</u>
Effective Gross Income	\$1,325,250		\$3 313
Miscellaneous Income	<u>447 200</u>		<u>1 118</u>
Total Revenue	\$1 772 450	100%	\$4 431
<u>Expenses</u>			
Rental	\$80 000	5%	\$200
Payroll	240 000	14%	600
Management Fees	17 725	1%	44
Utilities	40 000	2%	100
Maintenance and Replacement	40 000	2%	100
Property Taxes	120 000	7%	300
Insurance	<u>60,000</u>	<u>3%</u>	<u>150</u>
Total Expenses	\$597 725	34%	\$1 494
Net Operating Income (NOI)	<u>\$1 174,726</u>	<u>66%</u>	<u>\$2,937</u>
Updated On 9/22/2008			

RTTW_000560

9/22/2008

2 12 PM

Warpath Manna proforma with hotel rest rv.xls

Warpath Marina Resort Center

Slip Profile				
Type of Slip	Number of Slips	Monthly Rent Per Slip	Total Monthly Rent	Total Annual Rent
25' wet	60	250	15 000	180,000
30' wet	60	300	18 000	216 000
40' wet	40	350	14 000	168 000
100'-wet	40	350	14 000	168,000
25' dry	115	250	28 750	345 000
30' dry	65	300	19 500	234,000
35'-dry	20	350	7 000	84 000
	0	0	0	0
	0	0	0	0
Totals	400	\$291	\$116,250	\$1,395,000
	(Total)	(Average)	(Total)	(Total)
Updated On 9/22/08				

Miscellaneous Income

Income Source	Monthly Rent	Annual Rent	Per Slip
Boat rental	3 333	40 000	100
Deposits		0	0
Dump fees	267	3 200	8
Fuel services profit	6 667	80 000	200
Launch fees		0	0
Marine repair		0	0
Hotel-60% vac	7 500	90 000	225
Ship store profit	2 000	24 000	60
Storage fees	0	0	0
RV park-60% vac	10 000	120 000	300
Restaurant	7 500	90 000	225
Cottages	???	0	0
Other		0	0
Other		0	0
Totals		447 200	1 118

RTTW_000561

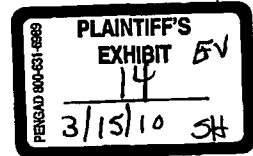
9/22/2008

2 13 PM

Warpath Marina proforma with hotel rest rv.xls

Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys.net]
Sent Wednesday April 04 2007 12:15 AM
To apballard@msn.com
Cc rick@marickhomebuilders.com rthoennes@att.net
Subject War Path Landing Opportunity



Andy,

On behalf of the Thoennes' and myself I want to thank you for the consideration and time you have taken with us regarding the opportunity at War Path Landing. You have done a wonderful job of securing a strong lease for the proposed project. It's obvious that for the last few years you have poured yourself into turning your vision into a feasible business venture and we all wish you well and look forward to your success.

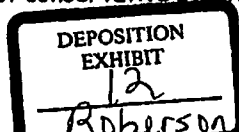
As you stated this afternoon we are just too far apart in regards to striking a deal that works for you. I appreciate that perspective and it is probably accurate for both parties. Our proposal was structured (see below) as to allow for the unknowns: the thinning of the revenue numbers, the unknown cost (equity sharing) and quantity of capital required and the various skill sets necessary to complete the project.

Because there are still numerous unanswered questions we felt that we could go forward with the following:

- You would be guaranteed the first million dollars of profit or free cash flow from the project
- You would retain 10% of the project and share proportionally in all net earnings from operations and profits from future sale of business
- Rick Thoennes would supervise construction and engineering
- Andy Ballard would continue to manage permitting processes and serve as liaison to government or controlling entities
- Tim Roberson would coordinate capital requirements including banking and funding from private investors
- Jack Jamison (RealtyLink) would negotiate and manage leases with hotel and restaurant

Andy, I will assume that the primary reason for our being "too far apart" relates to the equity give-up. I want to assure you that we in no way would want to harm you or disparage the work that you have put into the project thus far. The requirement for the equity spread is to pull the pieces together as stated above. If we have over-shot the mark, it is because we are taking the most conservative strategy, not trying to take

9/22/2008



RTTW_000872

advantage of you in any way Please believe me when I say that we wish you success and will be glad to help you with anything along your road to completion Feel free to keep this as your option B (C or D for that matter) and remember that we will be delighted to see you bring your vision to reality even without us

Best regards,

Tim



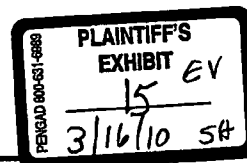
Tim W Roberson / Integrys Holdings, LLC / 864 679 3490 Voice / 864 458 3313 Fax / 864 270 6368
Cell / www.integrys.net

—
No virus found in this incoming message
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Version 7.5.446 / Virus Database 268 18 25/745 Release Date 4/3/2007 12:48 PM

RTTW_000873

9/22/2008

Rick Thoennes, Sr



From andrew ballard [apballard@msn.com]
Sent Tuesday, May 01, 2007 8:15 PM
To r.thoennes@att.net
Cc TimRoberson@Integrystllc.com; TimRoberson@charter.net
Subject Warpath proposal -- revised

Attachments Warpath Landing doc



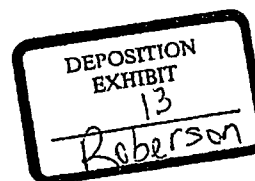
Warpath
Landing doc (25 KB)

Rick Rick and Tim --

This is a revised version of the proposal I e-mailed to you earlier
(Sorry about the multiple sends by the way -- I was having computer
issues) The clarification is in item #2
I'll be talking to you soon Thanks again

Andy
(864) 346-6888, cell

No virus found in this incoming message
Checked by AVG Free Edition
Version 7.5.467 / Virus Database 269.6.2/781 - Release Date 4/30/2007 9:14 AM



To Rick Thoennes, Rick Thoennes III and Tim Robertson

From Andy Ballard

Regarding Warpath Landing -- revised proposal

I appreciate your consideration of my project. I have spent nearly four years developing this project to its present status and obtaining the lease for 63 acres.

If you consult the copy of the lease I provided you, specifically paragraph 4 (Permitted Uses), you will see that permission has been granted for every aspect of the conceptual plans.

Since I have already expended a great deal of time and effort and would be giving up control of Warpath Development Corp., this is what I would be willing to consider:

- 1 Prior to writing any check, we meet with Duke Power and Seneca and Pickens counties to reassure you that my assessments are correct.
- 2 \$1,000,000 (for 20,000 shares of stock) paid at time of closing, to be refunded if dock permit is not received.
- 3 I retain 20 percent ownership of Warpath Development Corp.
- 4 Must have a negotiated development and service contract agreed to before closing.

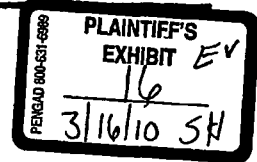
With a project that involves a marina, timing is key, so I look forward to hearing from you soon.

Thank you,
Andy

RTTW_000153

Rick Thoennes, Sr

From Rick Thoennes [r thoennes@att net]
Sent Wednesday May 02 2007 5 29 PM
To 'Tim Roberson
Cc Rick Thoennes Rick Thoennes
Subject RE Warpath



I will talk to the lawyer about both agreements I understand about distribution of profits with the exception that if the corporation shows a profit we distribute enough to cover taxes I guess You and RT's will form a LLC to hold shares in Warpath I will find out what kind of Corp Warpath is

I think I will check with our accountant to see best way to set this up financially Do you have someone you would rather use Ours is Pope, Smith, Brown & King

Concerning Andy

1 1,000,000 paid for 20,000 shares (80%) when we are satisfied dock permits, sewer permits, water permits and permits for buildings will be issued (if we meet normal building codes) This is contingent upon us meeting with all agencies concerned with the permits

2 Andy retains 20% of corporation

3 When is \$100,000 paid We still think \$100,000 per year can not be absorbed by the corp on an ongoing basis Where did you leave this with Andy?

4 Architects, engineers & other professionals will be discussed with Andy but we will need to be able to choose after consulting with Andy

5 I hope he understands the threshold for us to know we can get permits is fairly high

6 Having said all of that, I believe this can be a good project with high visibility and good return on investment Not a Stoneledge

7 Andy agrees to return any funds paid directly to him or the corp 8 Before I call the attorney, give me your approval or thoughts on the above

9 I don't mean to sound hard about all this, but the proformas don't allow for a great amount of changes It's a good project but not big enough to absorb much more than we have already done

-----Original Message-----

From Tim Roberson [mailto:Tim Roberson@integrys net]
Sent Wednesday, May 02, 2007 12 10 PM
To r thoennes@att net
Subject Warpath

Rick

Re having lawyer draw up contract we will need a contract between us and Andy and we will need an operating agreement We might be able to work off something similar that we used for the IMK agreement One thing in that should be sure that the investor side (me and others that I may bring in) get the initial cash requirement returned before we split profits You probably have a copy of that agreement, but if not let me know and I ll dig out mine

Have a great day

Tim

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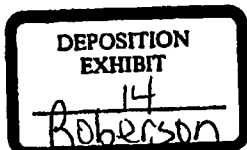
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Version 7 5 467 / Virus Database 269 6 2/784 - Release Date 5/1/2007 2 57 PM

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Version 7 5 467 / Virus Database 269 6 2/784 - Release Date 5/1/2007 2 57 PM



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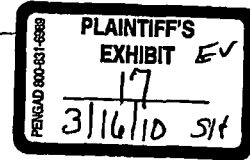
RTTW_000548

1035

(

Rick Thoennes, Sr

From Rick Thoennes [r thoennes@att net]
Sent Wednesday May 09 2007 10 49 AM
To Amanda Turner
Cc tbrown@psbkcpas com Rick Thoennes' Tim Roberson
Subject Warpath



The CPA has recommended we take the stock in our personal names Tim Roberson 10 000 shares--Rick III 5 000 shares & Rick Sr 5 000 shares Tom Brown (CPA) can be reached at 242-0656 (Pope Smith Brown & King)

Andy Ballard says Warpath has no assets no income and no expenses since inception

The seller (Andy Ballard) says 40 000 of 60 000 authorized have been issued to Andy Ballard I assume we would need to issue an additional 60,000 shares and give 30 000 to Tim 15 000 to Rick III 15 000 to Rick Sr to end up with 40% for Tim 20% for Rick III & 20% for Rick Sr

After closing Tom Brown (our CPA) will change the filing status of the corporation to an S corp

Would you please assure us that we end up with 80% and Andy Ballard ends up with 20%

We also need to be assured the lease with Duke is in good standing and that Warpath Development Inc owns it. That there is nothing in the lease that would preclude us from securing financing for the project

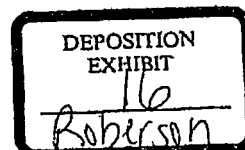
We will also need an agreement between Tim Rick & Rick laying out the following responsibilities

Rick & Rick to do all developmnt work sign on loans personally if necessary assist with proformas and receive no dividends until after the capital contribution is paid back to Tim (with the exception of any taxes that may be due on profits)

Tim is to provide necessary capital in order to secure a long term loan

Whewwwwwwwwwwwwwwwwwwwwwwwwwwwwwww!!!!

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Version 7.5.467 / Virus Database 269.6.6/794 Release Date 5/8/2007 2:23 PM

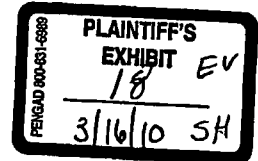


9/22/2008

RTTW_000546

Rick Thoennes, Sr

From Rick Thoennes [r thoennes@att.net]
Sent Tuesday May 29 2007 9 36 AM
To Tim Roberson Rick Thoennes 'andrew ballard'
Subject FW: RE. warpath contract
Attachments warpath rev3 pdf



From Amanda Turner [mailto:aturner@afclaw.net]
Sent Tuesday, May 29, 2007 9 18 AM
To Rick Thoennes, rick@marickhomebuilders.com
Subject RE RE warpath contract

Amanda S Turner
Paralegal
Anderson Payssoux and Chasteen P A
217 E Park Avenue
Greenville SC 29601
864-233-0445
864-233-4567 (fax)

From Rick Thoennes [mailto:r thoennes@att.net]
Sent Tuesday, May 29, 2007 9 01 AM
To Amanda Turner
Subject RE RE warpath contract

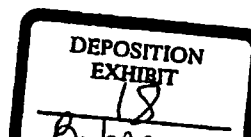
Amanda, do we have the corrected version? Still closing at 12
--
Marick
Office 864 232 5555
Fax 864-232-5504

----- - -- Original message from r thoennes@att.net (Rick Thoennes)

The letter "a" still needs to be removed in 1st paragraph before Ballard

Please define "grand opening" as When the marina is open for business

9/22/2008



RTTW_000538

Please add that Ballard is not required to sign any personal guarentees for any loans

Let's date the agreement 5/29/07

Still have not heard back from Ballard attorney, so there could be some minor changes

Please email corrected doc to Tim, Rick III, Rick & Ballard

Marick
Office 864-232-5555
Fax 864-232-5504

-- - - - - Original message from "Amanda Turner <aturner@afclaw net> -- - - - -

Amanda S Turner
Paralegal
Anderson Fayssoux and Chasteen P A
217 E Park Avenue
Greenville SC 29601
864-233-0445
864-233-4567 (fax)

From Rick Thoennes [mailto:r thoennes@att net]
Sent Thursday, May 24, 2007 12 30 AM
To Amanda Turner
Cc Roberson Tim (Office), Thoennes III Rick
Subject FW RE warpath contract

please make the necessary changes & email back to the emails on the Cc line & Bcc line as well as me

--

Marick
Office-864-232-5555
Fax 864-232-5504

----- Forwarded
Message - - - - -
From Tim Roberson
<Tim Roberson@integrys net>
To "Rick Thoennes"
<r thoennes@att net>, "andrew ballard" <apballard@msn com>,
<rick@marickhomebuilders com>

9/22/2008

RTTW_000539

Subject RE warpath contract
Date Thu, 24 May 2007
02 32 54 +0000

Opening paragraph - typo - a
Ballard

Paragraph 3 - I don't think Andy holds
necessary permits but conversations
from regulator authorities indicate that
permits will be issued

Paragraph 4 - We could build some
fine docks but they are hard to rent I
think we should build docks Should be
docks not decks

Paragraph 5 - comma after proformas

Paragraph 6 - Add Ballard e.g. no
profit distribution until after capital
contribution is returned Ballard
Thoennes & Thoennes III will not
receive

Permit me to say that I did not see
where the million would be refunded if
permitting is not permitted Ballard is
to return \$1 000 000 purchase price if
Dock permits and other necessary
permit are not obtained

(Hurry up If Beverly finds out that I've
got a million bucks she will spend it
before we close!)

-- Original Message- --
From Rick Thoennes
[mailto:r.thoennes@att.net]
Sent Wednesday, May 23,
2007 7:00 PM
To 'andrew ballard', Tim
Roberson,
rick@marickhomebuilders.com
Subject FW: warpath
contract

Just received this I HAVE
NOT READ IT YET SO
CANNOT VOUCH THAT
THERE ARE NO MISTAKES
Please read & send e your
comments asap

From Amanda Turner
[mailto:aturner@afclaw.net]

9/22/2008

RTTW_000540

Sent Wednesday, May 23,
2007 5:54 PM
To rthoennes@att.net
Subject warpath contract

Amanda S Turner
Paralegal
Anderson Fayssoux and
Chasteen P A
217 E Park Avenue
Greenville SC 29601
864-233-0445
864-233-4567 (fax)

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Version 7.5.467 / Virus
Database 269.7.6/815 Release
Date 5/22/2007 3:49 PM

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Checked by AVG Free Edition
Version 7.5.467 / Virus Database
269.7.6/815 Release Date 5/22/2007
3:49 PM

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Checked by AVG Free Edition
Version 7.5.472 / Virus Database 269.8.1/822 Release Date 5/28/2007 11:40 AM

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Version 7.5.472 / Virus Database 269.8.1/822 - Release Date 5/28/2007 11:40 AM

RTTW_000541

9/22/2008

STATE OF SOUTH CAROLINA
COUNTY OF GREENVILLE

)
)
)

STOCK PURCHASE
AGREEMENT

This Agreement made and entered into this 29th day of May, 2007 by and between Andy Ballard, hereinafter referred to as *Ballard* Tim Roberson, hereinafter referred to as *Roberson*, Rick Thoennes, hereinafter referred to as *Thoennes*, Rick Thoennes III, hereinafter referred to as *Thoennes III* and Warpath Development, Inc hereinafter referred to as *Warpath*

WITNESSETH

Whereas Warpath is a South Carolina corporation presently solely owned by Ballard,
and

Whereas Warpath is the holder of a lease on property located at Lake Keowee and is
desirous of developing the property; and

Whereas, Roberson, Thoennes and Thoennes III are in the business of property
development and are desirous of being involved in the development of the project with Ballard
and Warpath, and

Whereas Ballard wishes to convey to the other parties 80% of the corporation in
exchange for the purchase of one half of his stock plus an additional 60 000 shares, and

Now Therefore for and in consideration of the monetary sum stated herein and other
valuable consideration the parties hereto agree as follows

- 1 The group of Roberson Thoennes and Thoennes III will pay to Ballard upon closing the sum of \$1 000 000 00 in exchange for 20,000 shares of Ballard's 40,000 shares and will later receive from the newly established S Corp an additional 60,000 shares so that Ballard will hold 20% of the stock and the other 80% will be held by Roberson, Thoennes and Thoennes III when all shares are finally issued Until all shares are issued Ballard's 40 000 shares will be deposited in Trust with an agreeable escrow agent until instructed to release the stock for re-issue when the S election has been made Roberson will initially hold 10 000 shares and Thoennes and Thoennes III will each own 5 000 shares When the new stock is issued the final holdings will be as follows

RTTW_000542

Roberson	40,000 shares
Thoennes	20,000 shares
Thoennes III	20,000 shares
Ballard	20 000 shares

- 2 In addition to the above the corporation will pay Ballard \$100 000 00 upon the grand opening of the Marina and an additional \$50,000 00 one year after said grand opening Grand Opening being defined as "when the Manna opens for business "
- 3 Ballard warrants and represents that he holds a lease with Duke Power and the necessary permits from Duke Power, Pickens County and Oconee County in order to build the development to include a hotel and restaurant.
- 4 Ballard agrees to execute a separate agreement with Warpath defining his duties in the project development which shall include but not be limited to securing dock permits, building permits, hotel leases, restaurant leases, engineering services architectural services and any other service deemed necessary and appropriate to complete the conceptual plan for Warpath Landing If Ballard is unable to obtain all necessary permits the \$1 000,000 00 payment will be refunded to Roberson and the agreement shall terminate
- 5 Thoennes and Thoennes III will execute an agreement with Warpath defining their respective duties, including but not limited to development work execution of loan documents, assistance with proformas assistance with obtaining permanent financing and other such service as may be appropriate
- 6 Roberson agrees to provide the necessary capital to obtain long term financing on the project Ballard, Thoennes and Thoennes III will not receive any dividend or distribution of profit until all capital contributions of Roberson have been repaid
- 7 Ballard will not be required to sign any personal guarantees to obtain financing by the corporation
- 8 The parties agree that it will be necessary at a subsequent date to execute additional documents to give full validity to this Agreement and that they will mutually cooperate with each other in that regard

RTTW_000543

- 9 Ballard further represents and warrants that Warpath is in good standing and that he has authority to enter into this Agreement and that Warpath has no liabilities outstanding
- 10 This Agreement shall be binding on the parties hereto their heirs, successors and assigns
- 11 No part of this Agreement may be assigned without written consent of all parties

In witness whereof the parties have set their had and seal the day first above written

WITNESSES

Warpath Development Inc

Its _____

Andy Ballard

Rich Thoennes

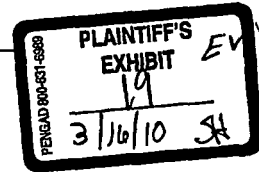
Rick Thoennes III

Tim Roberson

RTTW_000544

Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys.net]
Sent Tuesday, July 24, 2007 6:33 PM
To Rick Thoennes
Subject Warpath



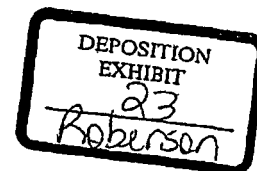
FYI - Andy is fussing about the letter. He wants to talk to Scott before we send it. I disagree, but didn't want to push him too hard. He is supposed to be getting me Scott's e-mail. We'll see.

Tim

WTR

Tim W. Roberson / Integrys Holdings LLC / 864 679 3490 Voice / 864 458 3313 Fax / 864 270 6368
Cell / www.integrys.net

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9/22/2008

RTTW_000867

Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys.net]
Sent Tuesday, March 11, 2008 6:37 PM
To ncksr@marick.net
Cc nck@marick.net
Subject RE: Warpath



So, my take on this is that we should still close on the property if owner won't delay as requested. It would be nice if someone at county staff had "a word" with the chairman of the commission. They should be able to save face and just assure us that it will pass next month, come hell or high affluent.

Tim

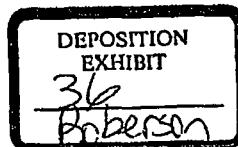


Tim W. Roberson / Integrys Holdings LLC / 864 679 3490 Voice / 864 458 3313 Fax / 864 270 6368 Cell /
www.integrys.net

From Rick Thoennes [mailto:ricksr@marick.net]
Sent Tuesday, March 11, 2008 5:31 PM
To Tim Roberson
Cc rick@marick.net
Subject Warpath

David talked to a contact at the county on staff. He was appalled that the planning commission did this again. They are bound by law to pass it unless it does not meet regs. We meet the regs. Public opinion is not supposed to delay or knock down approval. They have already been sued about doing this same thing and lost. County Council has chastised them before for this same thing. Not ready to play that card yet, but we are close.

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Version 7.5.516 / Virus Database 269.21.6/1316 Release Date 3/6/2008 6:58 PM



RTTW_000669

9/19/2008

Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys.net]
Sent Monday, March 31, 2008 3:53 PM
To ncksr@marick.net
Subject RE: Warpath Landing Project



I copied Andy on the email as I also see that this was something he should have had a heads up on. CC'd lawyer for Andy's benefit.

From Rick Thoennes, Sr [mailto:ricksr@marick.net]
Sent Monday, March 31, 2008 3:50 PM
To Tim Roberson
Subject RE: Warpath Landing Project

Just had a pointed conversation with Steve Goldie about their lack of anticipation. He is looking into it and going to give me a report.

From Tim Roberson [mailto:Tim Roberson@integrys.net]
Sent Monday, March 31, 2008 3:49 PM
To ncksr@marick.net, rick@marick.net, apballard@msn.com
Cc Jim Fayssoux
Subject FW: Warpath Landing Project

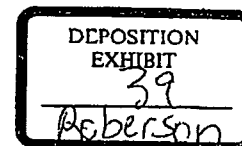
More surprises re permitting processes

From Jolley, David S [mailto:djolley@duke-energy.com]
Sent Monday, March 31, 2008 11:46 AM
To David Rochester
Cc Stephen Goldie, Alan Pope, Billy Bolger, Pam Williams
Subject RE: Warpath Landing Project

David
Duke Energy filed with the agencies and FERC for conceptual plan approval only. All additional required permits would need to be applied for by the developer. Additionally, Duke Energy requires a copy of all permits to accompany the engineering drawings for review and approval by Duke Energy before any construction work can begin.
Scott

From David Rochester [mailto:DavidR@goldleassociates.com]
Sent Monday, March 31, 2008 11:27 AM
To Jolley, David S
Cc Stephen Goldie, Alan Pope, Billy Bolger, Pam Williams
Subject Warpath Landing Project

Mr. Jolley



RTTW_000609

9/19/2008

Thank you for your quick response to my call that I made to you on Friday regarding the Corps of Engineers 401/404 permits and SC DHEC Navigable Waters permit for the Warpath Landing Project in Pickens South Carolina. It is my understanding that these permits have not been applied for but are required before docks and piers can be installed on site. Scottie Ferguson with Pickens County Stormwater Management has requested a copy of these permits before we can continue with this project. Since Duke Energy applied to all required agencies and to FERC Commission to authorize 63 acres to be leased by Warpath Development Inc. will Duke Energy also apply to the Corp of Engineers and SC DHEC Navigable waters as well for approval? Please advise me on how to move forward in obtaining these required permits for this project. You can email me or call me at any of the numbers listed below.

Thank you for your help

David Rochester
Project Manager

Goldie & Associates
Cell (864) 903 3922
Office (864) 882 8194 ext. 122
Fax (864) 882-0851

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Version 7.5.519 / Virus Database 269.22 1/1350 Release Date 3/30/2008 12:32 PM

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Version 7.5.519 / Virus Database 269.22 1/1350 Release Date 3/30/2008 12:32 PM

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Version 7.5.519 / Virus Database 269.22 1/1350 - Release Date 3/30/2008 12:32 PM

RTTW_000610

9/19/2008

Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys.net]
Sent Thursday, May 24, 2007 11:13 AM
To andrew.ballard, r.thoennes@att.net Tim Roberson (Charter Account)
Subject RE: Warpath Development

Also, we need wording to include a 'reversal of agreement' or whatever legal term is appropriate re the fact that "if" permits are not received and Andy has to return the million, that he gets the lease/stock back

-----Original Message-----

From andrew.ballard [mailto:apballard@msn.com]
Sent Thursday, May 24, 2007 9:36 AM
To r.thoennes@att.net Tim Roberson (Charter Account) Tim Roberson
Subject Warpath Development

To Rick and Tim

From Andy Ballard

Re Warpath Development

May 24, 2007



These are some changes I feel that need to be made to the stock purchase

agreement. These are my changes. My attorney has yet to communicate his comments to me.

Item 2. Need clarification of grand opening. Is that when first dock goes into the water?

Item 3. Ballard warrants and represents that he holds a lease with Duke Power and the necessary approval from Duke Power and Pickens County in order to build the development as per conceptual plans for Warpath Landing.

There is currently no comment about Ballard not having any responsibility for any debt incurred for development.

If you have any issues with these clarifications, please call me on my mobile. Thank you and we'll talk soon.

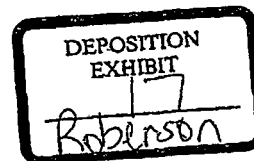
Andy
(864) 346-6888

PS -- Tim, is there any chance of closing today?

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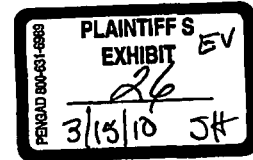
Checked by AVG Free Edition

Version 7.5.467 / Virus Database 269.7.7/816 - Release Date 5/23/2007 3:59 PM





Bureau of Water
2600 Bull Street
Columbia, SC 29201



Public Notice # DHEC SC 09-018 (Revised)

Public Notice Date February 26 2010

**NOTICE OF DEPARTMENT DECISION
CONSTRUCTION IN NAVIGABLE WATERS PERMIT**

The Department, acting on an application for Construction in Navigable Waters Permit pursuant to R. 19-450 et Seq 1976 SC Code of Laws has reached a proposed decision for the project described below

Warpath Development, Inc
Construction of docking facilities and amenities on Lake Keowee
Pickens County
SC 09-018 (Revised)

After reviewing the project plans Department Staff determined that there is a reasonable assurance that the proposed project will be conducted in a manner consistent with the permitting requirements of R. 19-450 et Seq 1976 SC Code of Laws Accordingly, the Department proposes to permit the project with conditions as follows

- 1 The permittee must implement appropriate best management practices that will minimize erosion and migration of sediments on and off the project site during and after construction These practices should include the use of appropriate grading and sloping techniques, mulches silt fences or other devices capable of preventing erosion migration of sediments, and bank failure All disturbed land surfaces and sloped areas affected by the project must be stabilized
- 2 All necessary measures must be taken to prevent oil, tar trash debris and other pollutants from entering the adjacent waters or wetlands
- 3 Where possible the permittee must phase the construction of facilities authorized under this permit until needed
- 4 Construction authorized under this permit must not occur during the months of March April, May and June because of potential impacts to spawning fishes, except when the lake is down and the site is dry Construction authorized under this permit may occur during the months of March, April, May and June when the lake is up and the site is not dry provided the applicant obtains a letter from the SCDNR concurring with the work The SCDNR letter must specify the work that may occur and the time interval, or intervals, in which that work may occur

- 5 After construction the permittee must reestablish natural shoreline areas in those areas of work authorized under this permit. The areas must be reestablished with plantings, including buttonbush clusters, needle rush, and multi-stem river birch wherever possible.
- 6 The permittee must install a minimum of twenty (20) fish attractors around the project docks and fishing piers authorized under this permit to encourage fish habitat.
- 7 The permittee must maintain a natural buffer zone measured from the ordinary high water mark of the lake with a minimum width of fifty (50) feet in all areas of work authorized under this permit, except in the dry-stack boat storage facility pier area for boatlift access, walking path access to the docks and fishing piers, and the swim beach.
- 8 Where walkways or pathways encroach into the natural buffer zone measured from the ordinary high water mark of the lake in areas of work authorized under this permit, the permittee must employ porous surfaces for all such walkways and pathways.
- 9 The permittee must prohibit pedestrian traffic within the natural buffer zone measured from the ordinary high water mark of the lake in areas of work authorized under this permit, except on walkways or pathways where such walkways and pathways employ porous surfaces. The permittee must, at a minimum, post signs in these areas to prohibit this traffic.
- 10 Lake Keowee is designated as an NDZ (No Discharge Zone). Therefore, watercrafts with a marine sanitary device must be equipped with a sanitary waste holding tank. A wastewater pump out and disposal system is required within the confines of the marina. Prior to installation, a construction permit would be required from the SCDHEC's Construction Permitting Section. An application for permit to construct (<http://www.scdhec.gov/administration/library/D1970.pdf>) including plans, etc. would need to be submitted by a professional engineer licensed to perform work in South Carolina. No dock may be occupied until the system has been issued a construction permit and granted final operational approval by the SCDHEC.
- 11 Signs must be posted on all docks, piers and areas adjacent to these facilities stating the following:

"It is against both Federal and State Laws to discharge raw, untreated sewage from any description of watercraft into the waters of South Carolina."

Signs should be at least 14" by 18" in size so they can be read clearly.

- 12 Signs must be posted at all docks giving notice that sewer pump-out services are provided at the marina store.
- 13 All fueling of boats must be performed at the marina store fuel dock by a dock attendant under the oversight of the Harbor Manager for the facility. Spill handling materials must be stored in the fuel dock area to facilitate a quick response should the need occur.
- 14 To insure the fueling system will not result in adverse water quality conditions, the fueling system at the marina store must be installed, operated, and maintained in accordance with

South Carolina's *Underground Storage Tanks Control Regulations* (R.61-92, Part 280, *et seq* , 1976 S C Code of Laws, as amended)

- 15 Signs must be posted at all docks giving notice that fueling services are provided at the marina store fuel dock
- 16 The permittee must develop a Spill Prevention, Control and Countermeasure Plan to prevent, contain, and clean up petroleum spills with step-by-step procedures and emergency contact numbers, and the plan must be stored in an accessible location. The plan must be submitted to the SCDHEC for review comment and approval prior to implementing operation of the docking facilities
- 17 Any painting, major engine repair or other maintenance that may result in a discharge to the water must be performed in a designated upland site
- 18 Anti-fouling paints must not be used on any pilings, docks or dock supports within the confines of the development
- 19 Litter receptacles must be located near all docks and walkways
- 20 All lighting on, at, or serving the marina, the temporary holding dock for the dry-stack boat storage facility, all courtesy docks associated with the campsites and RV sites, cottages and cabins, marina store and restaurant, and the 120-room lodge with restaurant, and the fishing piers must be Low Pressure Sodium lighting, with all outdoor fixtures being fully shielded and installed in such a way that no light is emitted above a horizontal plane running through the lowest part of the fixture and with time controls or occupancy sensors to turn lamps off when not needed
- 21 Signs must be posted on the marina, the temporary holding dock for the dry-stack boat storage facility and all courtesy docks associated with the campsites and RV sites cottages and cabins, marina store and restaurant, and the 120-room lodge with restaurant stating the following

‘Slow you are responsible for your wake
- 22 Consistent with the authorization under the U S Army Corps of Engineers’ Nationwide Permit #13, shoreline stabilization under this permit must not exceed 2775 linear feet at the development, must not exceed 425 linear feet at the small island located approximately 0.3 mile west of the development (Island 1) must not exceed 175 linear feet at the small island located approximately 0.05 mile southwest of the development (Island 2) and, must not exceed 1200 linear feet at the cove area near SC Highway 183/130 approximately 1 mile southwest of the development

The SC Department of Health and Environmental Control reserves the right to impose additional conditions on this permit to respond to unforeseen, specific problems that might arise and to take any enforcement action necessary to ensure compliance with State standards

Page 4
Warpath Development Inc
SC 09-018 (Revised)

A copy of plans submitted by the applicant is available for review in the office of the Division of Water Quality, Bureau of Water. Additional information about the technical aspects of this application is available from Harvey S Daniel, the project manager, at 803-898-3952.

The final Construction in Navigable Waters Permit will be issued unless there is a timely request for review of the Proposed Decision based on water quality or water use impacts.

The issuance of this Notice of Proposed Decision represents a final staff decision that may be appealed. The procedures for appeals went into effect July 1, 2006 pursuant to 2006 Act No. 387. Please see the attached page titled "Notice of Appeal Procedure" for details.

Chuck Hightower Manager
Water Quality Certification
and Wetlands Section

Notice of Appeal Procedure

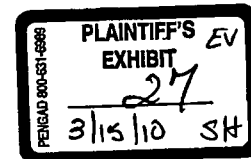
The following procedures are in effect beginning July 1 2006 pursuant to 2006 Act No 387

- 1 This decision of the S C Department of Health and Environmental Control (Department) becomes the final agency decision 15 days after notice of the decision has been mailed to the applicant or respondent, unless a written request for final review is filed with the Department by the applicant, permittee, licensee, or affected person
- 2 An applicant, permittee, licensee, or affected person who wishes to appeal this decision must file a written request for final review with the Clerk of the Board at the following address or by facsimile at 803-898-3323

Clerk of the Board
SC DHEC
2600 Bull Street
Columbia, SC 29201

- 3 The request for final review should include the following
 - a. the grounds on which the Department's decision is challenged and the specific changes sought in the decision
 - b. a statement of any significant issues or factors the Board should consider in deciding how to handle the matter
 - c. a copy of the Department's decision or action under review
- 4 In order to be timely, a request for final review must be received by the Clerk of the Board within 15 days after notice of the decision has been mailed to the applicant or respondent. If the 15th day occurs on a weekend or State holiday the request is due to be received by the Clerk of the Board on the next working day. The request for final review must be received by the Clerk of the Board by 5 00 p m on the date it is due
- 5 If a timely request for final review is filed with the Clerk of the Board the Clerk will provide additional information regarding procedures
- 6 The Board of Health and Environmental Control has 60 days from the date of receipt of a request for final review to conduct a final review conference. The conference may be conducted by the Board, its designee, or a committee of three members of the Board appointed by the chair
- 7 If a final review conference is not conducted within 60 days, the Department decision becomes the final agency decision, and a party may request a contested case hearing before the Administrative Law Court within 30 days after the deadline for the final review conference

The above information is provided as a courtesy, parties are responsible for complying with all applicable legal requirements



STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

IN THE COURT OF COMMON PLEAS

1 '5 25 P 12 00

Andrew P (Andy) Ballard, individually, and
derivatively on behalf of Warpath
Development, Inc ,

Plaintiff,

vs

Tim Roberson, Rick Thoennes, Rick Thoennes
III, and Warpath Development, Inc ,

Defendants

CLERK OF COURT
CASE NO 2008-CP-23-5739
CLERK

**FIRST AMENDED COMPLAINT
(JURY TRIAL)**

The plaintiff, Andrew P (Andy) Ballard ("Ballard"), complaining of the defendants,
alleges as follows

1 Ballard is a citizen and resident of Greenville County, South Carolina

2 The defendants Tim Roberson, Rick Thoennes, and Rick Thoennes III are
citizens and residents of Greenville County, South Carolina

3 The defendant Warpath Development, Inc (Warpath), is a South Carolina
corporation with its records located in Greenville County South Carolina The principal
asset of Warpath is a lease on property located at Lake Keowee in Pickens County, South
Carolina, and associated assets Warpath is made a defendant herein solely for the purpose
of ensuring the effectiveness of the injunctive relief sought in the first and tenth causes of
action set out below

4 Warpath has been working toward developing a marina on the property
located on Lake Keowee

5 Ballard and the defendants are parties to a Stock Purchase Agreement, dated
May 29, 2007, attached hereto and incorporated herein (the "Agreement")

6 Prior to the Agreement, Ballard was the sole shareholder of Warpath. Ballard created Warpath and obtained the lease for Warpath for the property on Lake Keowee where the marina is to be located.

7 Under the Agreement, the individual defendants became shareholders of Warpath.

8 Under the Agreement, the individual defendants purchased 20,000 shares of Warpath owned by Ballard for One Million Dollars (\$1,000,000) that was paid to Ballard. The defendants received an additional 60,000 shares of Warpath issued to them in exchange for the other and additional promises and commitments made by them to take certain actions to further the business, financing, development, and operations of Warpath.

9 In the Agreement, the defendants expressly agreed that "the final holdings" of stock in Warpath consist of Ballard owning 20,000 of the outstanding 100,000 shares of Warpath, or 20% of Warpath.

10 Further, in the Agreement, the defendants agreed that the defendant Tim Roberson would "provide the necessary capital to obtain long term financing on the project" and that Ballard would not be required to sign any personal guarantees to obtain financing by the corporation.

11 Further, in the Agreement, the defendants agreed that the defendants Rick Thoennes and Rick Thoennes III "will execute an agreement with Warpath defining their respective duties, including, but not limited to development work, execution of loan documents, assistance with proformas, assistance with obtaining permanent financing and other such service as may be appropriate."

(12 After entering into the Agreement, the individual defendants became owners of 80% of the stock of Warpath. Further, the individual defendants decided to have Warpath issue additional stock to benefit them and improve their return on investment. They also conspired together and put together and executed a plan to force Ballard out of Warpath.

13 At a stockholders meeting on May 1, 2008, the individual defendants elected themselves as the three directors of Warpath and did not re-elect Ballard as a director. They then held a meeting of the Board of directors and passed a motion purportedly to authorize the issuance of 900,000 additional shares of Warpath Treasury Stock in order to raise capital, pay expenses, and offer employee incentives, and purportedly authorized Warpath to file the necessary paper work purportedly to authorize the issuance of an additional 900,000 shares. This motion was then presented to the shareholders, and in the shareholders meeting the individual defendants purportedly approved the issuance of the additional 900,000 shares. This action is in breach of the Agreement.

14 Further, if these shares are issued and sold or otherwise transferred to shareowners, Ballard's percentage ownership in Warpath would be reduced to 2%, thus breaching the Agreement.

15 Further, these actions are in violation of Warpath's Articles of Incorporation. Warpath's Articles of Incorporation authorize the issuance of 100,000 shares.

16 Further, these actions were designed to harm Ballard, to force him out of Warpath, and to benefit the individual defendants.

17 Further, the individual defendants have breached the Agreement in that the defendant Tim Roberson has not provided the necessary capital to obtain long term financing.

(and instead the defendants have begun the process to sell additional Warpath stock, contrary to the express terms of the Agreement .

18 Further, the individual defendants have made clear that they have not fulfilled their promises and commitments under the Agreement, have made clear that they will not do so, and/or, upon information and belief, are not able to do so

19 The actions and inactions of the individual defendants, including their planned action of the defendant Warpath with respect to the issuance of the stock, purportedly authorized individually and collectively, are in direct violation of the Agreement

20 The individual defendants have also acted in bad faith

FOR A FIRST CAUSE OF ACTION

21 The individual defendants have breached the Agreement

(22 The proposed issuance of stock by the defendant Warpath will cause Ballard irreparable harm and Ballard has no adequate remedy at law

23 A temporary and a permanent injunction against the defendants barring the issuance of stock by the defendants are in the public interest and would not result in an undue burden on the defendants

24 Ballard is entitled to a temporary and a permanent injunction against the defendants barring the issuance of stock by the defendants that would reduce Ballard's final holdings in Warpath to less than 20% of the stock of Warpath

25 Ballard is entitled to the costs of this Action

FOR A SECOND CAUSE OF ACTION

(26 The actions taken by the individual defendants are in violation of Warpath's Articles of Incorporation

(27 Ballard is entitled to a temporary and a permanent injunction against the defendants barring the issuance of stock by the defendants beyond the 100,000 shares already authorized and issued, in violation of Warpath's Articles of Incorporation

28 Ballard is entitled to the costs of this Action

FOR A THIRD CAUSE OF ACTION

29 The individual defendants have breached the Agreement

30 The individual defendants have not fulfilled and have breached their promises and commitments that they made in the Agreement, they have made clear that they do not intend to fulfill them, and/or, upon information and belief, they are not capable of fulfilling them

(31 The breaches by the individual defendants have reduced and will reduce the value of Ballard's stock and have resulted and will result in delays in Ballard receiving economic benefit from his interest in Warpath

32 The individual defendants must return the 60,000 shares of Warpath that they received under the Agreement, as restitution for their breaches of the Agreement

FOR A FOURTH CAUSE OF ACTION

33 The individual defendants have committed anticipatory breaches of the Agreement

(34 The individual defendants have not fulfilled and have breached their promises and commitments that they made in the Agreement, they have made clear that they do not intend to fulfill them, and/or, upon information and belief, they are not capable of fulfilling them

(35 The breaches by the individual defendants have reduced and will reduce the value of Ballard's stock and have resulted and will result in delays in Ballard receiving economic benefit from his interest in Warpath

36 The individual defendants must return the 60,000 shares of Warpath that they received under the Agreement, as restitution for their anticipatory breaches of the Agreement

FOR A FIFTH CAUSE OF ACTION

37 The individual defendants have breached the covenant of good faith and fair dealing

38 The breaches by the individual defendants have reduced and will reduce the value of Ballard's stock and have resulted and will result in delays in Ballard receiving economic benefit from his interest in Warpath

(39 The individual defendants must return the 60,000 shares of Warpath that they received under the Agreement, as restitution for their breach of the covenant

FOR A SIXTH CAUSE OF ACTION

40 The individual defendants have breached the covenant of good faith and fair dealing

41 Ballard is entitled to recover his damages, plus costs

FOR A SEVENTH CAUSE OF ACTION

42 The individual defendants have breached the Agreement

43 The individual defendants have not fulfilled and have breached their promises and commitments that they made in the Agreement they have made clear that they do not intend to fulfill them, and/or, upon information and belief, they are not capable of fulfilling them

(

44 Ballard is entitled to recover his damages for these breaches, plus interest and costs

FOR AN EIGHTH CAUSE OF ACTION

45 The individual defendants have committed anticipatory breaches of the Agreement

46 The individual defendants have not fulfilled and have breached their promises and commitments that they made in the Agreement, they have made clear that they do not intend to fulfill them, and/or, upon information and belief, they are not capable of fulfilling them

47 Ballard is entitled to recover his damages for these anticipatory breaches, plus interest and costs

FOR A NINTH CAUSE OF ACTION

48 In taking action to force Ballard out of the company and in taking action to authorize the issuance of additional shares of Warpath, as part of that effort, to dilute Ballard's ownership in Warpath, and to benefit themselves, and by breaching the Agreement and its covenant of good faith and fair dealing, the individual defendants breached their fiduciary duties owed by them as directors of Warpath to Ballard, a Warpath shareholder, in violation of S C Code Ann § 33-8-300

49 The individual defendants acted intentionally, willfully, wantonly, and grossly negligently in breaching their fiduciary duties owed to Ballard

50 Ballard is entitled to recover actual and punitive damages from the individual defendants, interest, and costs

FOR A TENTH CAUSE OF ACTION

51 Tim Roberson has been and is the President-CEO of Warpath, Rick Thoennes, III, is the Vice President, and Rick Thoennes is the Secretary-Treasurer. The individual defendants are all the officers of Warpath.

52 In taking action to force Ballard out of the company and in taking action to authorize the issuance of additional shares of Warpath, as part of that effort, to dilute Ballard's ownership in Warpath, and to benefit themselves, and by breaching the Agreement and its covenant of good faith and fair dealing, the individual defendants breached their fiduciary duties owed by them as officers of Warpath to Ballard, a Warpath shareholder, in violation of S.C. Code Ann. § 33-8-420.

53 The individual defendants acted intentionally, willfully, wantonly, and grossly negligently in breaching their fiduciary duties owed to Ballard.

54 Ballard is entitled to recover actual and punitive damages from the individual defendants, interest, and costs.

FOR AN ELEVENTH CAUSE OF ACTION

55 Tim Roberson, Rick Thoennes, and Rick Thoennes, III, own are majority shareholders of Warpath and own 80% of its stock.

56 In taking action to force Ballard out of the company and in taking action to authorize the issuance of additional shares of Warpath, as part of that effort, to dilute Ballard's ownership in Warpath, and to benefit themselves, and by breaching the Agreement and its covenant of good faith and fair dealing, the individual defendants breached their fiduciary duties owed by them as majority shareholders of Warpath to Ballard, a minority Warpath shareholder.

(57 The individual defendants acted intentionally, willfully, wantonly, and grossly negligently in breaching their fiduciary duties owed to Ballard

58 Ballard is entitled to recover actual and punitive damages from the individual defendants interest, and costs

FOR A TWELFTH CAUSE OF ACTION

59 Under S C Code Ann §§ 33-14-300 and 310, the individual defendants have acted and are acting in a manner that is illegal, fraudulent, oppressive, or unfairly prejudicial to Ballard

60 Ballard asks that the Court direct the individual defendants, jointly and severally, to purchase his stock at fair value, pursuant to S C Code Ann §§ 33-14-310 (d) (4) and that the defendants not issue any additional Warpath stock pending that purchase pursuant to S C Code Ann §§ 33-14-310 (d) (3)

(61 Alternatively, Ballard asks that the Court direct the defendants, jointly and severally, not to issue any additional Warpath stock, pursuant to S C Code Ann §§ 33-14-310 (d) (3)

FOR A THIRTEENTH CAUSE OF ACTION

62 This is a derivative claim, brought pursuant to Rule 23 (b) (1) of the South Carolina Rules of Civil Procedure, to enforce a right of Warpath

63 Ballard is and has been a shareholder of Warpath since Warpath came into existence Ballard was a shareholder at the time of the transactions of which he complains

64 A pre-filing demand upon the Warpath directors or shareholders is futile and useless because

((a) The individual defendants constitute all of the directors of Warpath,

((b) The individual defendants constitute all of the shareholders of Warpath other than Ballard and currently own 80% of the outstanding shares,

(c) The claims asserted herein are claims brought against the individual defendants, and the individual defendants have asserted in this litigation that they are not in violation of the Agreement, as alleged herein,

(d) The breaches of the Agreement alleged herein are breaches alleged against the individual defendants,

(e) In order to pursue this claim, the individual defendants would have to sue themselves,

(f) There is no reason to think that the individual defendants would bring this claim against themselves, and in fact the individual defendants have asserted that they have no liability under the Agreement, as set out in their Answer and Counterclaim and the deposition of Tim Roberson

65 The defendants are parties to a Stock Purchase Agreement, dated May 29, 2007, attached hereto and incorporated herein (the "Agreement")

66 Under the Agreement, the individual defendants purchased 20,000 shares of Warpath owned by Ballard for One Million Dollars (\$1,000,000) that was paid to Ballard. The defendants received an additional 60,000 shares of Warpath issued to them in exchange for the other and additional promises and commitments made by them to take certain actions to further the business, financing, development, and operations of Warpath.

67 In the Agreement, the individual defendants agreed that the defendant Tim Roberson would "provide the necessary capital to obtain long term financing on the project"

(and that Ballard would not be required to sign any personal guarantees to obtain financing by the corporation

68 Further, in the Agreement, the defendants agreed that the defendants Rick Thoennes and Rick Thoennes III “will execute an agreement with Warpath defining their respective duties, including, but not limited to development work, execution of loan documents, assistance with proformas, assistance with obtaining permanent financing and other such service as may be appropriate ”

69 Further, the individual defendants have breached the Agreement in that the defendant Tim Roberson has not provided the necessary capital to obtain long term financing and instead the defendants have begun the process to sell additional Warpath stock, contrary to the express terms of the Agreement

(70 Further, the individual defendants have not fulfilled their promises and commitments under the Agreement, have made clear that they will not do so, and/or upon information and belief, are not able to do so

71 The actions and inactions of the individual defendants, purportedly authorized individually and collectively, violate the Agreement

72 The individual defendants have also acted in bad faith

73 The individual defendants have breached the Agreement and have committed anticipatory breaches of the Agreement

74 Ballard is a party to the Agreement and alleges that he has a right to bring these claims individually as set out in the Second, Third, and Fourth Causes of Action, set out above

(75 Alternatively, Ballard brings these claims derivatively to enforce Warpath's rights under the Agreement

76 The individual defendants must return the 60,000 shares of Warpath that they received under the Agreement, as restitution for their breaches and anticipatory breaches of the Agreement

WHEREFORE, Ballard asks that the Court

1 Issue a temporary and a permanent injunction barring the issuance of stock in the defendant Warpath by the defendants that would reduce Ballard's final holdings in Warpath to less than 20% of the stock of the defendant Warpath,

2 Issue a temporary and a permanent injunction barring the issuance of stock in the defendant Warpath by the defendants that would increase the number of shares beyond the 100,000 authorized by Warpath's Articles of Incorporation,

(3 Order that the individual defendants return their 60,000 shares in Warpath, as restitution,

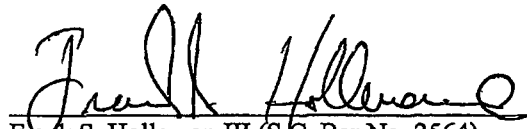
4 Award Ballard actual and punitive damages,

5 Order that the individual defendants, jointly and severally, purchase his shares for fair value and order that the defendants, pending such purchase, not issue additional shares of Warpath or, alternatively, order that the defendants not issue additional shares of Warpath,

6 Alternatively, as a remedy for the derivative claim, order that the individual defendants return their 60,000 shares in Warpath, as restitution,

7 Award him interest and costs,

(8 Award him whatever further relief the Court considers appropriate



Frank S. Holleman III (S C Bar No 2564)
Hannah R. Metcalfe (S C Bar No 73046)
Wyche, Burgess, Freeman & Parham, PA
44 E Camperdown Way
P O Box 728 (29602-0728)
Greenville, SC 29601
Phone 864 242-8200
Facsimile 864-235-8900
Email fholleman@wyche.com,
hmetcalfe@wyche.com

Dated 8/25/2009
Greenville, South Carolina

PLAINTIFF HEREBY DEMANDS A TRIAL BY JURY

() STATE OF SOUTH CAROLINA)
COUNTY OF GREENVILLE)

STOCK PURCHASE
AGREEMENT

This Agreement made and entered into this 29th day of May, 2007 by and between Andy Ballard hereinafter referred to as *Ballard* Tim Roberson, hereinafter referred to as *Roberson*, Rick Thoennes hereinafter referred to as *Thoennes* Rick Thoennes III, hereinafter referred to as *Thoennes III* and Warpath Development, Inc, hereinafter referred to as *Warpath*

WITNESSETH

Whereas Warpath is a South Carolina corporation presently solely owned by Ballard, and

Whereas Warpath is the holder of a lease on property located at Lake Keowee and is desirous of developing the property, and

() Whereas Roberson Thoennes and Thoennes III are in the business of property development and are desirous of being involved in the development of the project with Ballard and Warpath and

Whereas Ballard wishes to convey to the other parties 80% of the corporation in exchange for the purchase of one half of his stock plus an additional 60 000 shares and

Now Therefore for and in consideration of the monetary sum stated herein and other valuable consideration the parties hereto agree as follows

- 1 The group of Roberson Thoennes and Thoennes III will pay to Ballard upon closing the sum of \$1 000 000 00 in exchange for 20 000 shares of Ballard s 40 0000 shares and will receive from the corporation additional shares so that Ballard will hold 20% of the stock and the other 80% will be held by Roberson Thoennes and Thoennes III when all shares are finally issued When the new stock is issued the final holdings will be as follows

(Roberson 40 000 shares
Thoennes 20,000 shares
Thoennes III 20 000 shares
Ballard 20,000 shares

Handwritten signatures and initials in the bottom right corner.

- 2 In addition to the above the corporation will pay Ballard \$100 000 00 upon the grand opening of the Marina An additional \$50,000 00 will be paid one year after said grand opening Grand Opening being defined as when the Manna opens for business "
- 3 Ballard warrants and represents that he holds a lease with Duke Power and the necessary approvals from Duke Power and Pickens County in order to build the development per conceptual plans for Warpath Landing Final permits must be obtained to move forward
- 4 Ballard agrees to execute a separate agreement with Warpath defining his duties in the project development which shall include but not be limited to securing dock permits building permits hotel leases restaurant leases engineering services architectural services and any other service deemed necessary and appropriate to complete the conceptual plan for Warpath Landing If Ballard is unable to obtain the Marina and Dock permits per the conceptual plan the \$1,000 000 00 payment will be refunded, \$250 000 00 will be refunded within 90 days and the balance within 6 months after it is determined the permits cannot be obtained
- 5 Thoennes and Thoennes III will execute an agreement with Warpath defining their respective duties including but not limited to development work execution of loan documents assistance with proformas assistance with obtaining permanent financing and other such service as may be appropriate
- 6 Roberson agrees to provide the necessary capital to obtain long term financing on the project Ballard Thoennes and Thoennes III will not receive any dividend or distribution of profit until all capital contributions of Roberson have been repaid
- 7 Ballard will not be required to sign any personal guarantees to obtain financing by the corporation
- 8 The parties agree that it will be necessary at a subsequent date to execute additional documents to give full validity to this Agreement and that they will mutually cooperate with each other in that regard
- 9 Ballard further represents and warrants that Warpath is in good standing and that he has authority to enter into this Agreement and that Warpath has no liabilities outstanding

WJR
D.F.B.
B 12

10 This Agreement shall be binding on the parties hereto their heirs successors
and assigns

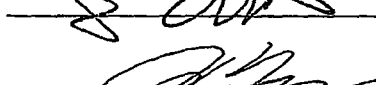
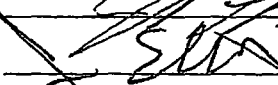
11 No part of this Agreement may be assigned without written consent of all parties

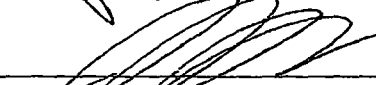
In witness whereof the parties have set their had and seal the day first above written

WITNESSES

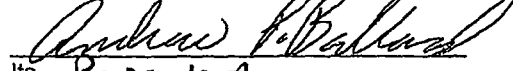


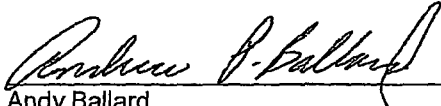


Warpath Development Inc


its President


Andy Ballard


Rick Thoennes


Rick Thoennes III


Tim Roberson

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

IN THE COURT OF COMMON PLEAS

Andrew P (Andy) Ballard, individually, and
derivatively on behalf of Warpath
Development, Inc ,

Plaintiff,

vs

Tim Roberson, Rick Thoennes, Rick Thoennes
III, and Warpath Development, Inc ,

Defendants

COURT
CO SC
NSIMR

CASE NO 2008-CP-23-5739

VERIFICATION

Personally appeared before me, Andrew P Ballard, who first being duly sworn states that he is the Plaintiff in this action that he has read the First Amended Complaint and states that the allegations of the Thirteenth Cause of Action are true, except for any matters which are alleged on information and belief, and he believes them to be true to the best of his knowledge

Andrew P Ballard
Andrew P Ballard

Sworn to this 24th day of
August 2009

Susan B Hahn
Notary Public for South Carolina
My Commission expires 2/21/2012

STATE OF SOUTH CAROLINA

COUNTY OF GREENVILLE

IN THE COURT OF COMMON PLEAS

11 10 25 P 12 00

Andrew P (Andy) Ballard, individually, and
derivatively on behalf of Warpath
Development, Inc ,

Plaintiff,

vs

Tim Roberson, Rick Thoennes, Rick Thoennes
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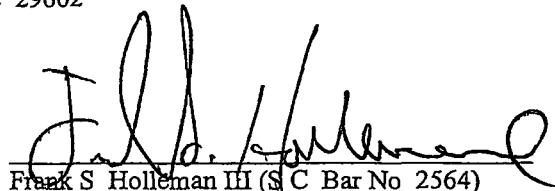
ST COURT
CO SC

CASE NO 2008-CP-23-5739

CERTIFICATE OF SERVICE

This is to certify that I have this date caused to be served a true and correct copy of the
within and foregoing **FIRST AMENDED COMPLAINT** on opposing counsel in this action by
causing the same to be deposited in the United States mail, first class postage affixed, addressed
as follows

Joshua L. Howard, Esq
Haynsworth Sinkler & Boyd, P A
P O Box 2048
Greenville SC 29602



Frank S. Holleman III (S C Bar No 2564)
Wyche, Burgess, Freeman & Parham, PA
44 E Camperdown Way
P O Box 728 (29602-0728)
Greenville, SC 29601
Phone 864 242-8200
Facsimile 864 235-8900
Email fholleman@wyche.com

Dated August 25, 2009

Dock Types	# Sites
Marina	
Type H1 Houseboat (22' W 80' or 100')	20
Type H2 Houseboat (20' 60')	30
Type D1 14 W 30'	101
Type D2 14 W 40'	43
	200 Total Slp
Type MC Marina Courtesy (14' 30')	22 Total Slps
Courtesy	
Campground Area	
Type C1 14' W 30'	16
Boat Ramp Area	
Type C1 14 W 30'	6
Lodge/Restaurant Area	
Type C1 14' W 30'	32
Lodge/ Cabin Area	
Type C1 14 W x 30'	32
	86 Total Slips
Misc	
Fishing Piers	1 Existing
Ramps	1 New (Dry dock)
Drydock	200

Parking Required (Cables and campsites excluded)

Lodge/Restaurant	
Lodge 1/1 Room	120
Restaurant 1/3 seats	40
M. rina / Restaurant	
Boat Slips, 0.5 slp	0.5 x 150 = 75
Houseboats: 1/1 slp	1 50 = 50
Dry Dock 20% 200	40
Restaurant: 1/3 seats	75 / 3 = 25
Total	= 350

Parking Provided

Lodge/Restaurant/Houseboat Area	210
Marina Area	123
Campground/M. rina Area	23
Public Shelter	10
Swim Beach/Fishing Pier	8
Total	= 374

(Cables: 2 per cable
Campsites: 1 per site)

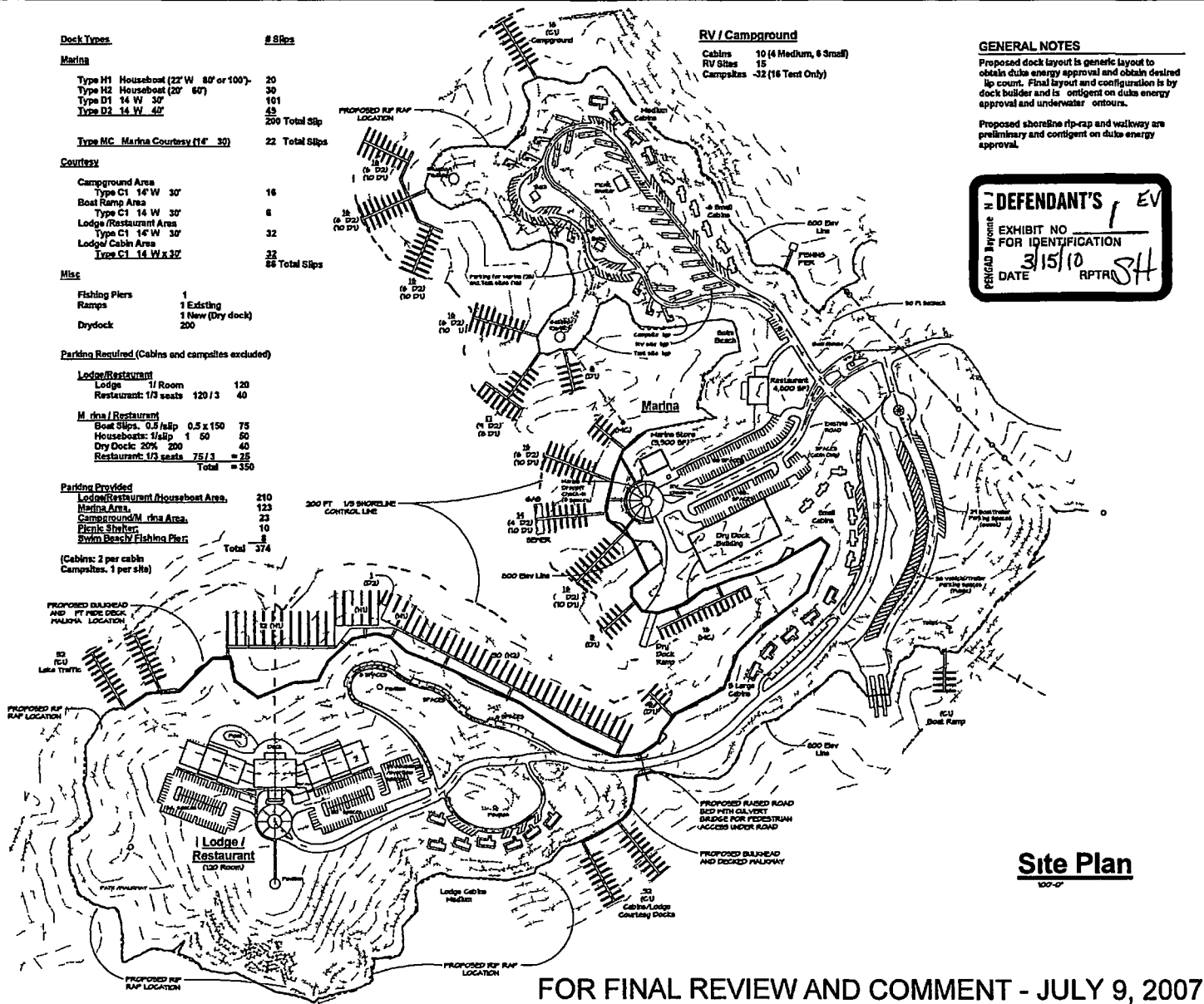
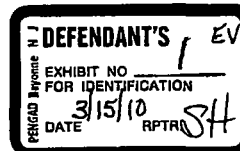
RV / Campground

Cables	10 (4 Medium, 6 Small)
RV Sites	15
Campsites	~32 (16 Tent Only)

GENERAL NOTES

Proposed dock layout is generic layout to obtain duke energy approval and obtain desired slip count. Final layout and configuration is by dock builder and is contingent on duke energy approval and underwater contours.

Proposed shoreline rip-rap and walkway are preliminary and contingent on duke energy approval.



JUSTICE
DESIGN
STUDIO

ARCHITECT/PLANNERS

1000 1st Ave. N. Suite 100
St. Petersburg, FL 33701
Phone: 727.442.1111
Fax: 727.442.1112

Project Title:
Warpeth
Lending

Project No.: 1000
Project Name: Warpeth
Project Location: St. Petersburg, FL
Project Date: 10/10/07

Project Title:
Dock Layout
Plan

Sheet No.: A01

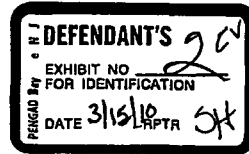
FW Dock Layout_June 11 2007 pdf

From **Rick Thoennes** (r thoennes@att.net)

Sent Mon 6/11/07 7 22 PM

To andrew ballard (apballard@msn.com)

Attachments Dock Layout_June 11 2007 pdf (147.8 KB)



From Robert Judd [mailto:rjudd@justicestudio.com]

Sent Monday, June 11, 2007 3:11 PM

To Rick Thoennes, rick@marickhomebuilders.com

Cc Sam Justice, Stephen Goldie

Subject Dock Layout_June 11 2007 pdf

Rick

Attached is a Prelim dock layout for review. I don't have Andy's email. If you can forward to him.

The layout shows 196 marina spaces, although 16 of those at the point near campground are questionable as to whether Duke will allow.

The number of courtesy docks located around the site are based on the counts noted in the original conceptual plan.

If you have any questions call.

Robert

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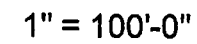
Checked by AVG Free Edition

Version 7.5.472 / Virus Database 269.8.13/843 Release Date 6/10/2007 1:39 PM

APB_00026

<http://mail.live.com/mail/PrintShell.aspx?type=message&cpids=ad080b29-f5f2-46ae-863> 11/20/2008

Fishing Piers	2
Ramps	1 Existing 1 New (Dry dock)
Drydock	200



A0 1



Disclaimer: The above schematic, nature and subject change with further survey, investigation and detail. The developer does not warrant that the project can be constructed as presented.

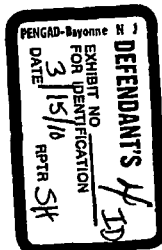
JUSTICE
DESIGN
STUDIO

2007 008 October 25 200 (e used)
Revised per Duke Energy's Comments of 0/02/07

1076

APB_00149

X 52



Warpath
Landing

Proposal for Development of

Warpath Landing Public Recreation Area

Lake Keowee Reservoir

Pickens County, South Carolina

Warpath Development

THE ELLIS GROUP PA
220 N MAIN STREET SUITE 325
GREENVILLE SC 29601



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Materials

Concept Sketches

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Developer

Objective

The main objective of this proposal is to create an environment for many types of outdoor recreation that is uniquely related to the history of the immediate surroundings. The atmosphere created by connecting the new development with the people and places of the past will bring forth a design which is unique to Pickens County. This proposal will enhance the quality of life for Pickens County residents as well as visitors and establish a place for making memories.

The site of Warpath Landing is a 56 acre tract of land on the eastern shore of Lake Keowee in Pickens County. The site features lovely views to the North, West and South. The northern views are particularly exciting, with a spectacular view of the Blue Ridge Mountains. A primary design goal is to capture these views throughout the development in a way that preserves and enhances the natural beauty of the site.

The site is heavily wooded, containing trees of many varieties. The terrain is fairly steep, varying in places to a more shallow grade. Another design goal is to utilize the contours of the site for recreation purposes to the fullest potential. The following program considers these possibilities as well as the many practical considerations to create a place fully reflecting a flavor and character of Pickens County and this particular site.

In considering the potentialities of the site, it became apparent that exploring a historic component is an appropriate approach. To that end, a bit of research yielded some interesting historical background.

Program

To obtain this objective the following program is proposed to provide public access areas as well as other amenities to fully utilize the 76 acre property. The breadth of the program allows for features that would appeal to a wide range of interests and would attract people for a variety of events and purposes.

I Water related features

A Marina

Located to provide fueling facility accessible to public.

Shop for maintenance and repair of boats

B Dry dock storage for 200 boats

C Marina convenience store

D Deli/Grille

E Boat slips

Covered and uncovered slips - 100 total

F Public boat launch and parking

G Public swimming area

H Public fishing pier

II Outdoor recreation

A RV Sites and Campground

B Picnic areas

C Larger picnic shelter

D Bike path/nature trail

Incorporating theme of Indian Trail Tree

E Secondary recreation options

Croquet
Horseshoe pits
Rock climbing
Playground

III Lodging/Dining

A Lodge with 60 rooms

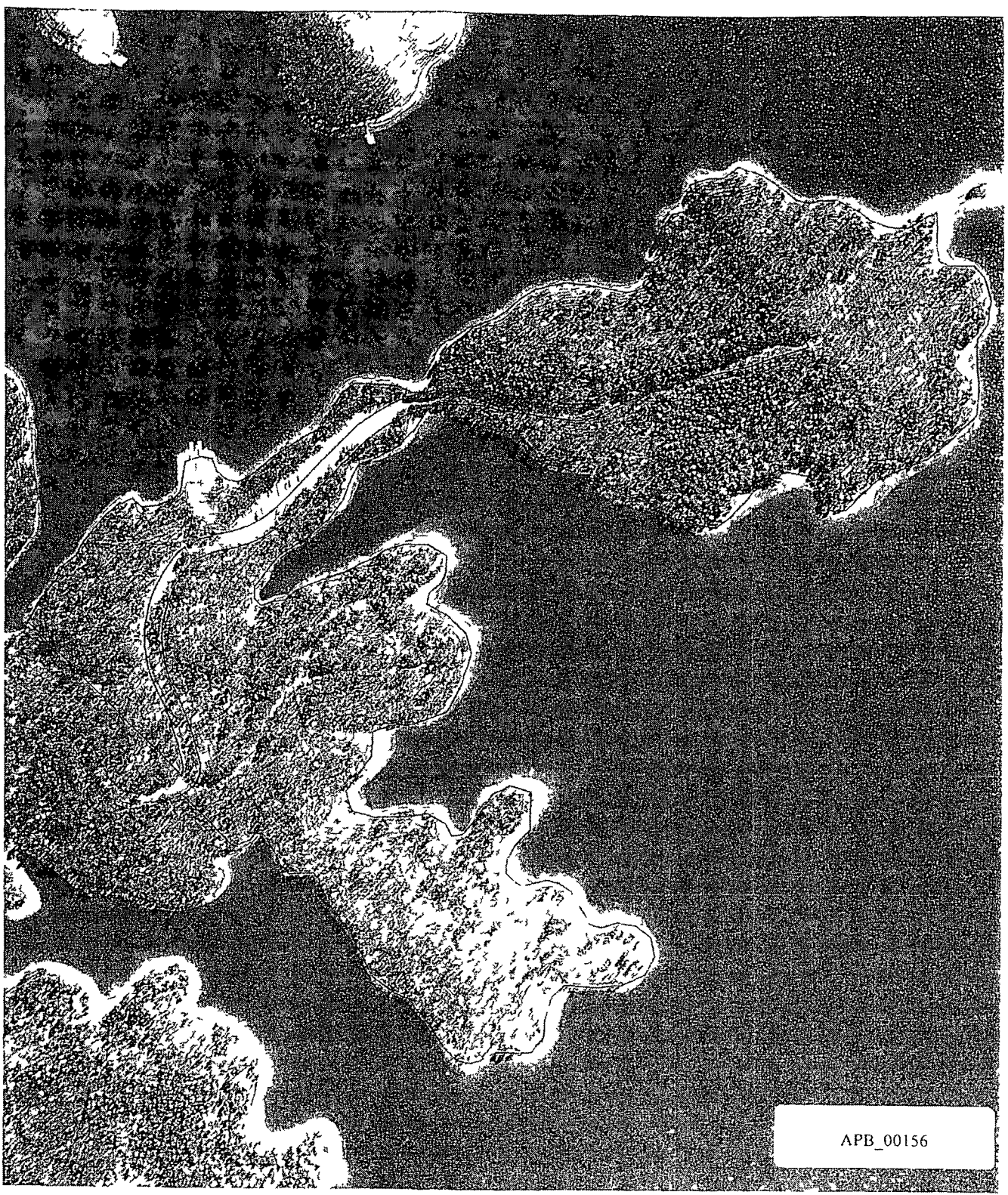
B Cabins

Small size (2-4 people)
Family/group (10 people)

C Restaurant

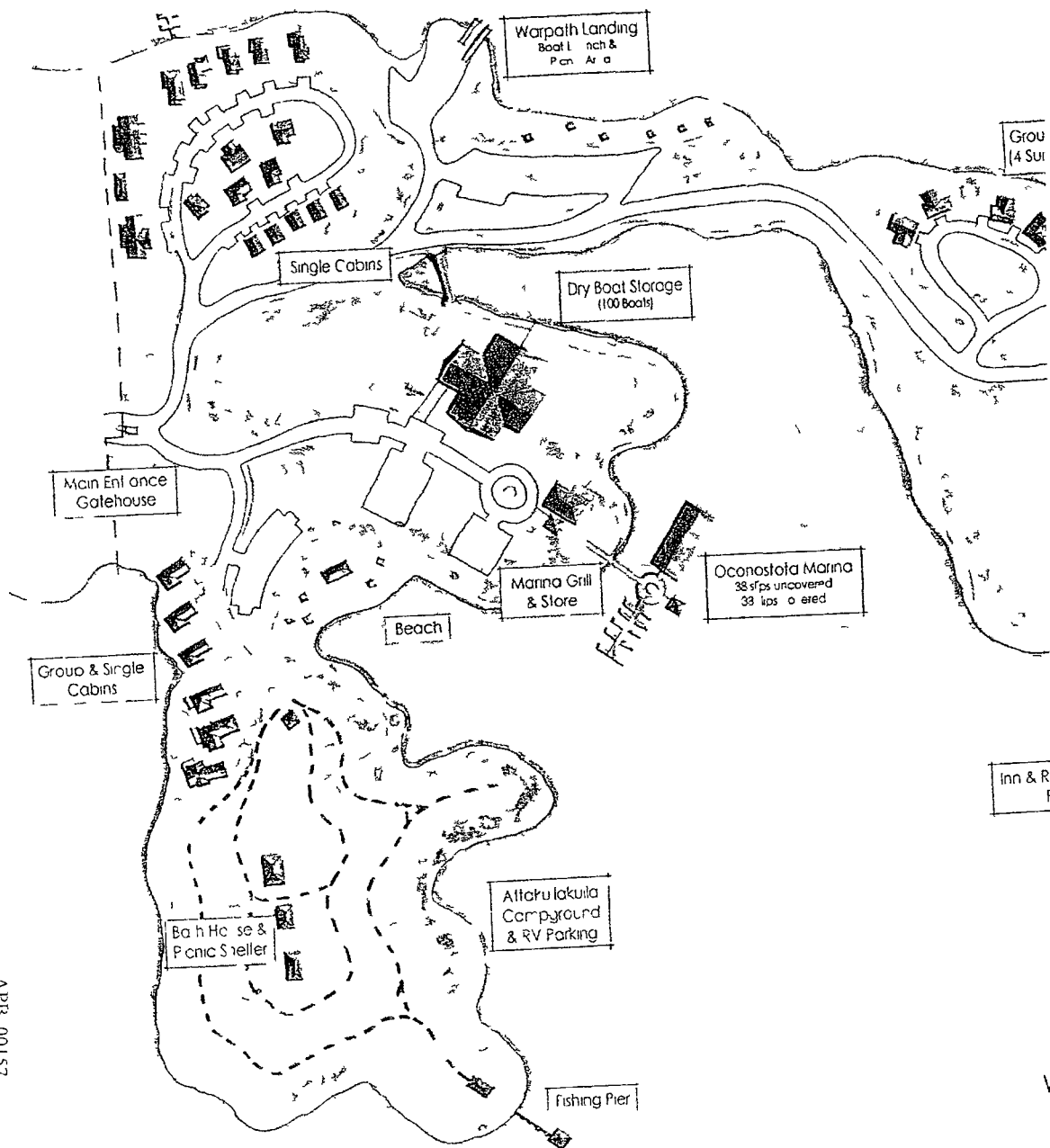
With banquet facilities (250 people)

PICKENS COUNTY
SOUTH CAROLINA



APB_00156





HISTORIC CONTEXT

A brief look at some features of this land and its first inhabitants brings some relevant information to the project. The Cherokee Indians lived along the river and bottom land which later became Lake Keowee. They thrived in the bottom lands from Virginia southward. They built their houses in villages, much like Early American settlers did. Villages were separated by day-long walks, houses were made of wood and stone, fields were planted, nuts and berries were gathered, game was cured, tobacco was smoked and the Cherokee people adhered to high ethical standards. Fire, the center of life, became the Cherokee word for home.

Rivers between the Cherokee mountains fed by creeks running from all directions, flowed north and west into the Great River, the Cherokee's lifeline to other Indian cultures. A network of roads followed those rivers and streams to connect the Cherokee villages. Steep mountain gaps limited routing choices so Cherokee roads converged at certain gaps, just as roads do today in those mountains. Villages often stood near a river and represented the people to the tribe as a whole. The people used the roads to trade and connect with other villages.

The installation of Prince George Fort and the arrival of the British had a great impact on the history of the area. Several Colonial British and Cherokee played a significant part in the history of the area. The following timeline gives a brief account of this history.

Indian Trail Trees, which are also known as bent trees, were once very prevalent in this area. The Indians native to this area, most often the Cherokee, are assumed to have used them to mark directions or trails to areas important to them. They took young saplings, bent them at a right angle perpendicular to the ground and pointing

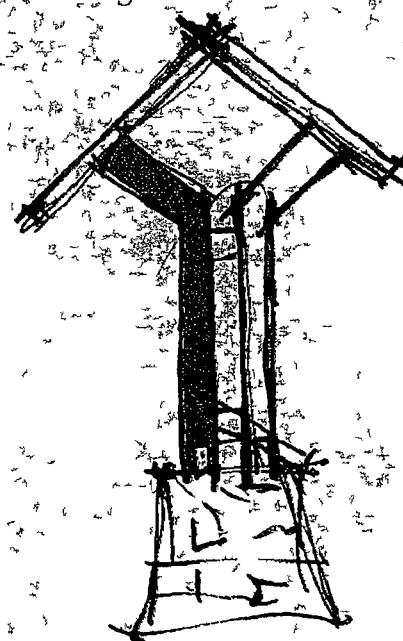
in the desired direction. They then tied them in this position. As the tree grew, the top portion would turn up toward the light but the area that had been tied down would always point in a specific direction.

The trees were used to indicate different things. They might show the trail to a river or a settlement. Some were used to indicate where natural springs were located. Sometimes they were used as message trees and were either marked to indicate a message or had a hollowed out section where messages could be hidden.

This proposal calls for using the theme of Indian Trail Trees to mark areas along the nature/bike trail. Additionally, this idea is used as a recurring theme throughout the architecture of the development, articulating a unique form incorporated into the post and beam construction of the building form.



Indian Trail Tree



HISTORIC TIMELINE

1540 - Cherokee have contact with De Soto expedition

1670 - The South Carolina Colony established

1670s - Tribes acquire firearms

1684 - Treaty with South Carolina and Cherokee

1690 - Secretary of Colony, James Moore, ventures into Cherokee country looking for gold

1693 - Cherokee Chiefs visit Charleston demanding firearms for their wars against neighboring tribes

1705 - North Carolina complains that the South Carolina governor's trade of Native American slaves had so angered the tribes that the Indian War was inevitable

1711 - 1713 - Cherokee aid the colony in driving out mutual enemy, the Tuscarora

1715 - Combined tribes in the region threatened to wipe out South Carolina in a war that broke out. Peace was made with a large exchange of guns and ammunition for alliance with the colony.

1715 - Cherokee drive Shawnee northward out of the Cumberland River Region

1721 - Cherokee sign treaty with South Carolina to systematize trade. One condition of the treaty established a fixed boundary between the Cherokee and the colony. This was the first land cession made by the Cherokee to the Europeans.

1730 - Seven Cherokee make the trip to London to meet with King George II. Atta Kulla Kulla was one of them.

1738 - Small pox was introduced to the Cherokee killing nearly half the tribe within a year.

1749 - South Carolina Independent Companies is formed replacing the disbanded General Oglethorpe's Regiment.

1753 - 1768 - Fort Prince George was named for the Prince of Wales (later King George III) and served as the principal Carolina outpost in the Cherokee lower towns.

1754 - Treaty reaffirming the Cherokee alliance to the English is signed.

1755 - 1763 - French and Indian War. Cherokee would have sided with the French except for the dependence on trade with the English.

1757 - South Carolina Provincial Regiment is formed.

1759 - Thirty-two Cherokee spokesmen are held hostage at Fort Prince George. Chief Attakullakulla negotiates the release of Oronostota and two others. The remaining twenty-nine chiefs remained captives.

1760 - Cherokee lure Lieutenant Goutmore outside the walls of Fort Prince George and mortally wound him. The same day the remaining chiefs who are being held hostage are killed. Cherokee start a fight with South Carolina and push frontier line back 100 miles to the Edisto River.

1761 - Attakullakulla signs a treaty with South Carolina's colonial government.

1775 - Cherokee sign the Henderson Purchase, which ceded land north of Cumberland River and what is now Kentucky.

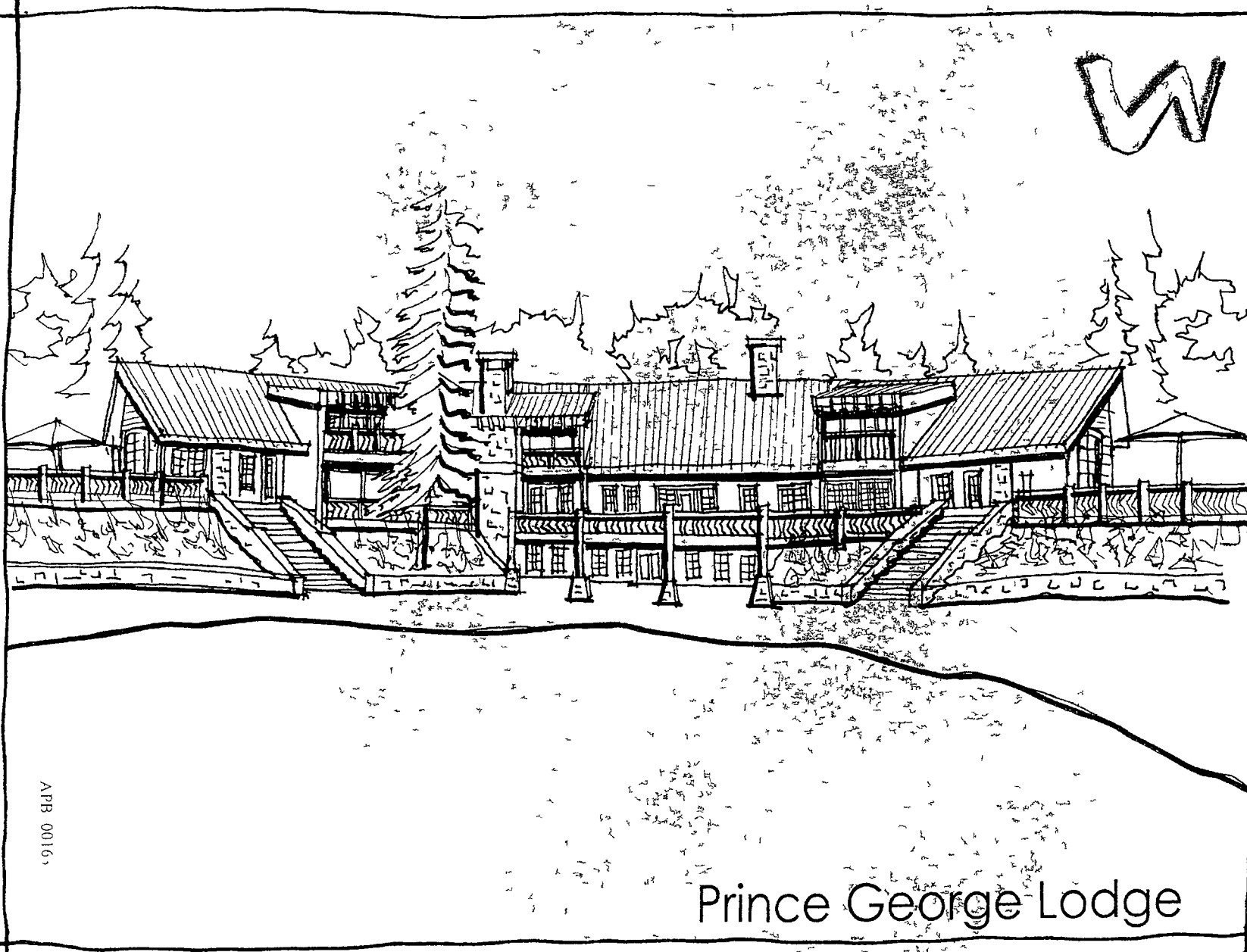
1776 - British invade Charleston and Cherokee once again attack colony.

1777 - Cherokee sign Treaty of DeWitt's Corner, which ceded nearly all of South Carolina except the northwestern corner, which is now Oconee County.

1790 - 16,000 people move into Greenville, Pickens, Oconee, and Anderson Counties. Cherokee and Creek make raids on South Carolina and Georgia. South Carolina establishes block houses along its northwest boundary for protection.

1816 - Cherokee sell the last of their South Carolina land to the colony.

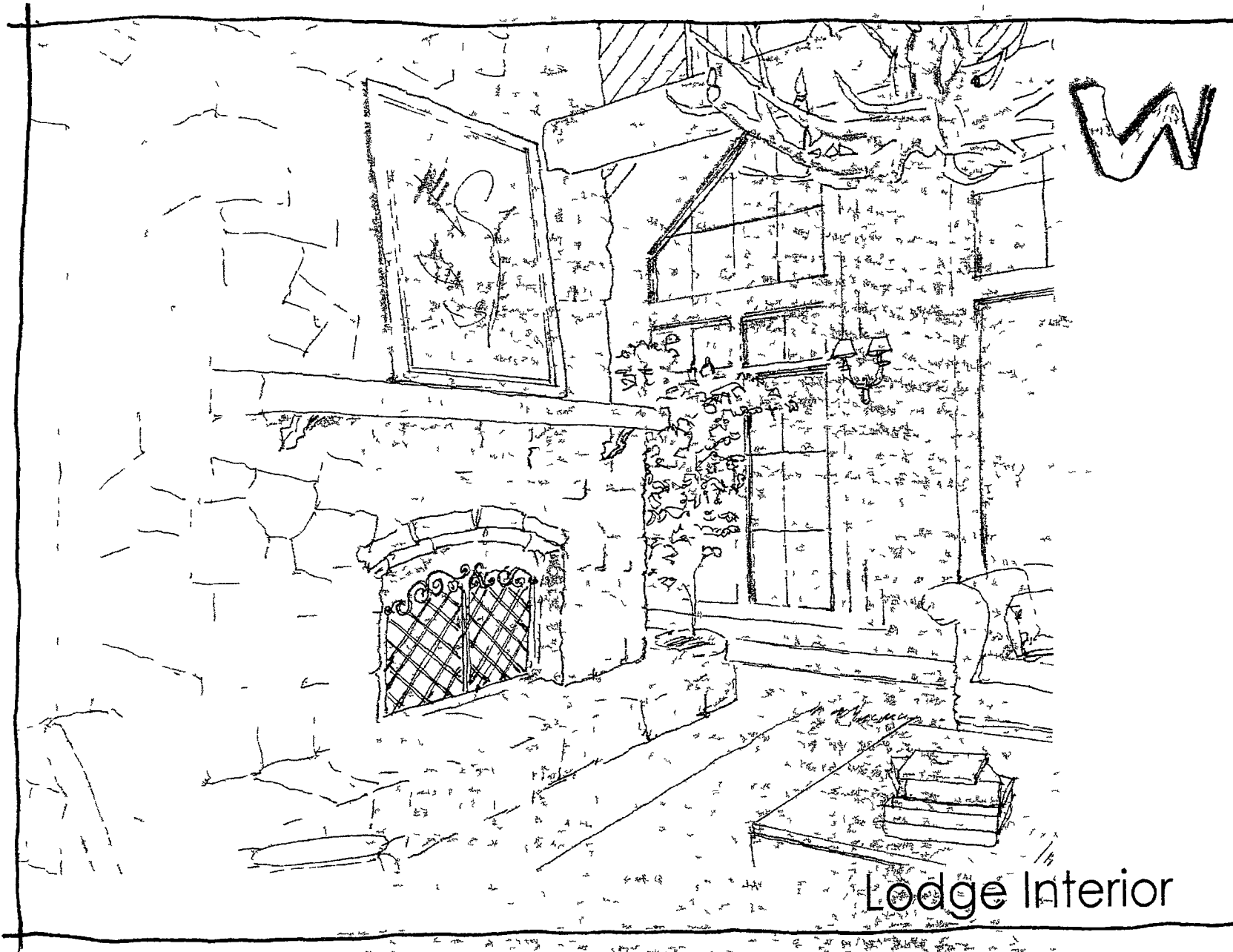
1090



APB 0016,

Prince George Lodge

The EHS Group F A Architects Greenville SC

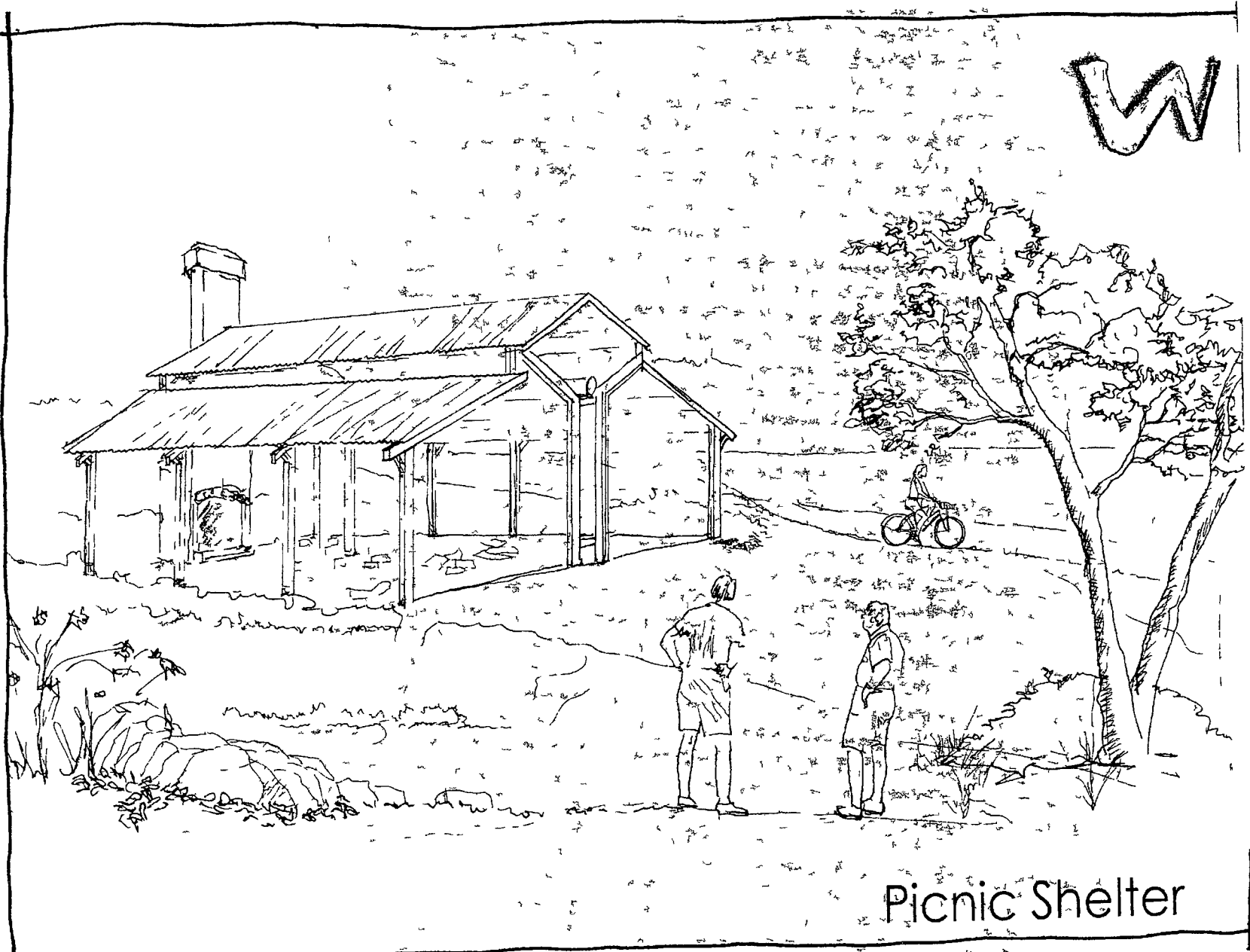


Lodge Interior



W

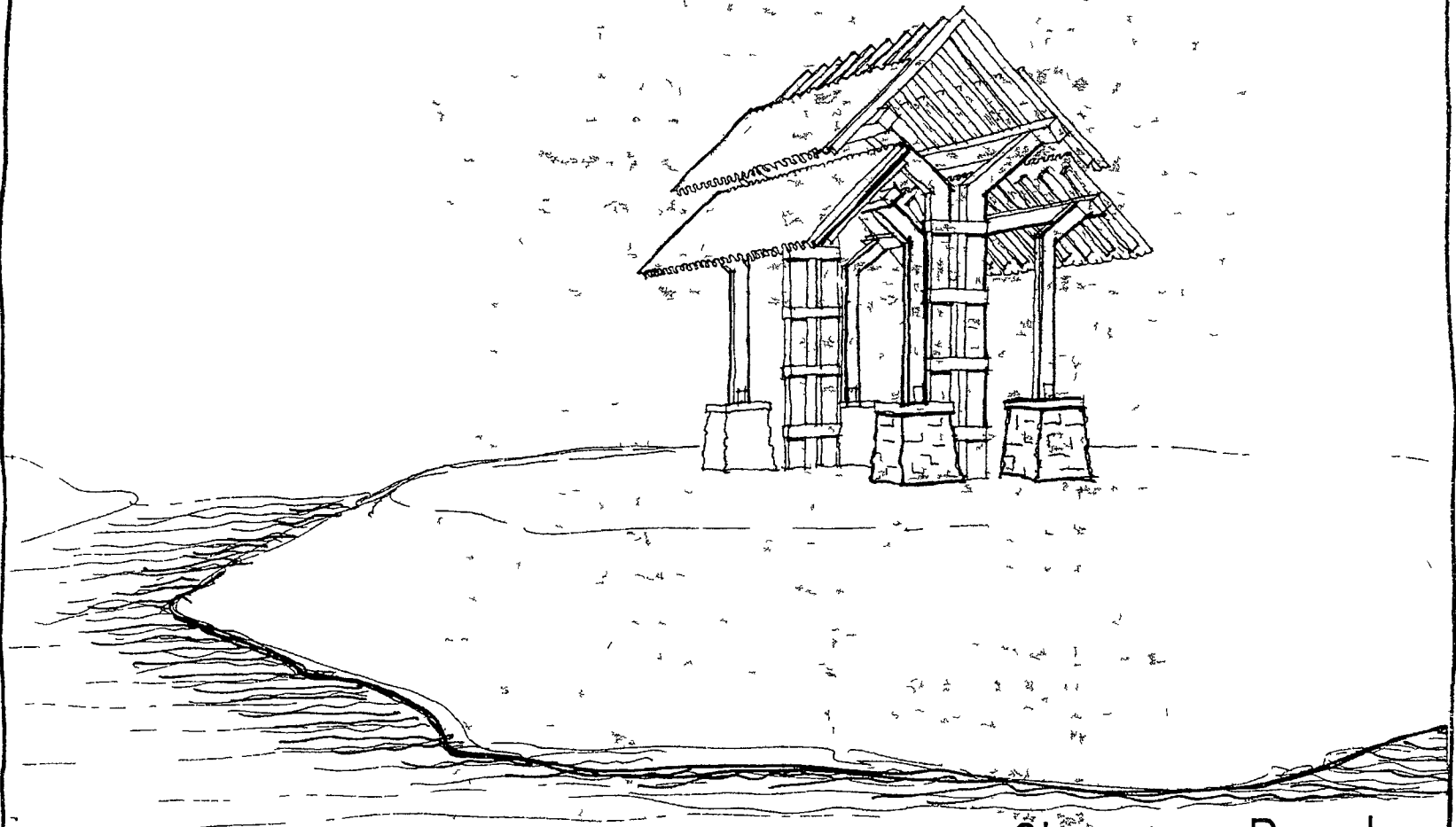
Group Cabin



Picnic Shelter

The Ellis Group P. A. Architects Greenville SC

W



Shaman Point

W

Architect

ABOUT THE ARCHITECT

The Ellis Group P A is a full service architectural firm with experience ranging from governmental to commercial, industrial to hospitality residential to renovation and master planning

The Ellis Group serves a wide range of clients by intent. We often say we specialize in diversity. Over 800 assignments have been successfully performed in sixteen states, from New York to Arizona to Florida to Illinois. Our clients include individuals, corporations, national hospitality chains and Federal State and Local Governments. We have consistently brought unique solutions to clients resulting from our exposure to a wide range of issues and building types. We can apply up-to-date knowledge and technology from a broad range of materials furnishings suppliers, equipment and finishes to the needs of the proposed projects.

The Ellis Group is particularly well suited for this project for several reasons. We have an understanding of the cultural and geographical context. We are in close contact with area development, enabling a network for well-informed decision making. And above all, we maintain a commitment to excellence in all stages of the design process for each project.

The Ellis Group is known particularly to have extensive experience with hospitality projects. Since The Ellis Group was established over 20 years ago, Bob Ellis has led the firm in the successful completion of over 100 hospitality related projects.

Following is a brief listing of some of these projects:

HOSPITALITY EXPERIENCE

ADDISON INN
ANITAS
APPLEBEE'S
BERTOLO'S
BOTANY BAY INN
CAPRI'S
CAPRI'S
CAROLINA GRILLE
CHINA GOURMET
CLOCK
CLOCK
CLOCK
CLOCK
COMFORT INN
COMFORT INN & SUITES
COMFORT INN (Formerly Super 8)
COUNTRY INN & SUITES
DINO'S CLOCK
DRAGON DEN
DRAGON DEN
DUKE SANDWICH SHOPPE

FAW NC
SIMPSONVILLE SC
60+ RESTAURANTS/12 STATES
GREENVILLE SC
CHARLESTON SC
BOILING SPRINGS SC
SENECA SC
WOODRUFF SC
GREENVILLE SC
BOILING SPRINGS SC
DUNCAN SC
GREER SC
MOONVILLE SC
UNION SC
BOILING SPRINGS SC
DOUGLASVILLE GA
ANDERSON SC
MACLDIN SC
FAIRVIEW STATION/SIMPSONVILLE
GREENVILLE SC
CONGAREE RD/GREENVILLE SC

DUKES SANDWICH
 FARMHOUSE GRILLE
 FATZ CAFE
 FUDDRUCKER'S
 FUDDRUCKER'S
 HAMPTON INN
 HOLIDAY INN EXPRESS
 HOLIDAY INN EXPRESS
 HOLIDAY INN EXPRESS
 HOLIDAY INN EXPRESS
 J L TOPPERS
 MAIN STREET DINER
 MICROTTEL INN
 MICROTTEL INN (Hwy 290)
 MICROTTEL INN (Woodruff Rd)
 QUALITY INN & SUITES
 SASKATOON
 SENECA CLOCK
 SLEEP INN
 SLEEP INN
 SUPER 8
 THE COFFEE BEANERY
 THE ITALIAN MARKET & GRILLE
 TWIN DRAGONS RESTAURANT

DUNCAN SC
 GREENVILLE SC (FORMERLY WOODS)
 GAFFNEY SC
 CHARLESTON SC
 NORTH AUGUSTA SC
 CLEMSON SC
 ANDERSON SC
 BREVARD NC
 GREER SC
 LANDRUM SC
 GREENVILLE SC
 MAULDIN SC
 GASTONIA NC
 DUNCAN SC
 GREENVILLE SC
 CHARLESTON SC
 GREENVILLE SC
 SENECA SC
 GAFFNEY SC
 TRAVELERS REST SC
 GAFFNEY SC
 GREENVILLE SC
 WOODS LAKE RD GREENVILLE
 BREVARD NC

WOOSA HONGKONG CAFE

GREENVILLE SC

MASTER PLANNING

BOTANY BAY MARINA

CHARLESTON

CHRIST CHURCH

GREENVILLE SC

CLIFFS AT GLASSY COMMUNITY

LANDRUM SC

GOVERNOR'S RESERVE

GREENVILLE SC

MT ZION CHRISTIAN FELLOWSHIP

GREENVILLE SC

PLANTATION AT PELHAM

GREENVILLE SC

REEDY FORK BAPTIST CHURCH

GREENVILLE SC

SHANNON FOREST CHRISTIAN SCHOOL

GREENVILLE SC

TRAVELERS REST YMCA

TRAVELERS REST SC

VILLAGIO VERDE

GREENVILLE SC

WOODRUFF MEDICAL CENTER

WOODRUFF SC

W

Developer

PROPOSAL FORM 1

APPLICABLE BUSINESS EXPERIENCE

Include a detailed explanation of experience relating to operation of campground and associated facilities

Name of business	<u>Pavilion Real Estate LLC / Andrew P Ballard Mgr Partner</u>
Dates	<u>7/28/2004</u>
Location	<u>Greenville, SC</u>
Description	<u>Development and Real Estate</u>
<u> </u>	
<u> </u>	
Services provided	<u>Operating Management Group will be hired and controlled by LLC</u> <u>to be formed by partners</u>
<u> </u>	
Public served	<u> </u>
<u> </u>	
Number of employees	<u> </u>
<u> </u>	
Volume of business	<u> </u>
<u> </u>	
<u> </u>	
<u> </u>	

PROPOSAL FORM 1

APPLICABLE BUSINESS EXPERIENCE (continued)

Indicate other business or work experience for at least the past 5 years

Employer _____
 (SEE FOLLOWING SHEET)
Dates _____
Location _____

Potential Investor's Business Experience

Restaurants
Hotels
Marinas
Office Buildings
Assorted Developments of all types

(See list of investors - next page)

Note

Financial information available in detail upon tentative approval of this proposal

POTENTIAL INVESTORS

George Stathakis Business Owner Greenville, SC	864-288-9320 Stax's
Jim Hollingsworth Columbia SC	
Bard Parks Former President Greenville, SC	864-421-0505 BB&T
Douglas Mahon Business Owner Spartanburg, SC	864-205-3520 Eton of America
Lynn Hodges CEO (Ret) Greenville, SC	864-879-4976 United Finance
Albert McAlister Laurens SC	864-984-0581
Bob Taylor Former Vice President Greenville SC	864-414-0522 US Shelter

APB_00177

* See pg. 11

PROPOSAL FORM 2

FINANCIAL STATEMENT

Financial Statement of _____ submitted in
connection with an application for a lease to develop operate and maintain
_____ Public Access Area Social Security # _____

ASSETS

LIABILITIES

1 Cash (including savings)	\$ _____	1 Accounts Payable	\$ _____
2 Accounts Receivable	\$ _____	2 Notes Payable	\$ _____
3 Notes Receivable	\$ _____	3 Mortgage	\$ _____
4 Equipment Owned		4 Other	\$ _____
Vehicles	\$ _____		\$ _____
Other	\$ _____		\$ _____
5 Real Property	\$ _____		\$ _____
6 Marketable Investments	\$ _____		\$ _____
7 Other Major Assets	\$ _____		\$ _____
_____	\$ _____		\$ _____
_____	\$ _____		\$ _____
TOTAL ASSETS	\$ _____	TOTAL LIABILITIES	\$ _____

NET WORTH \$ _____

The applicant should have in cash or readily convertible assets at least 25 percent of estimated operating costs FINANCIAL STATEMENTS AND PLANS FOR FINANCING ARE SECURED IN CONFIDENCE AND ARE NOT PUBLIC INFORMATION

PROPOSAL FORM 3

BUSINESS REFERENCES

The following references can confirm the information provided on Proposal Form 1

1 Name _____ Lynn Hodge _____
Address _____ Greenville, SC _____

Telephone _____ 864-879-4976 _____

2 Name _____ Bard Parks _____
Address _____ Greenville, SC _____

Telephone _____ 864-421-0505 _____

3 Name _____ Brenda Ballard _____
Address _____ Senator Hollings Staff _____

Washington, DC _____
Telephone _____ 202-224-6664 _____

PROPOSAL FORM 4

OPERATING PROPOSAL

Describe how the recreation area will be operated, the type of equipment to be used, and how public services will be provided

a Number of employees duties, and supervision

30 - 50 wintertime

70 - 100 summertime

b Fee collections (how is this to be handled?)

Nominal vehicular fee to be collected for day users This fee is to be collected at entry gate to handle general clean-up and garbage (litter collection)

c Security

Gated security

d Cleaning, mowing, and maintenance of facilities and premises

By Operating Management Corporation

* Operating Management Group will be hired and controlled by LLC formed by partners

PROPOSAL FORM 4

OPERATING PROPOSAL (continued)

e Storage and maintenance of material and equipment

By Operating Management Corporation

f Reservation system for Boat storage (and Campsite if provided)

By Operating Management Corporation

g Type and location of temporary residence

h Other revenue-producing operations

Only during construction phases

i Seasonal campsite rentals (if provided)

Yes Not to exceed 14 consecutive days for campsites

j Source and estimated annual cost of liability insurance

By Operating Management Corporation as required

PROPOSAL FORM 4

OPERATING PROPOSAL (continued)

k Source and type of performance bond

As required

l Operation of swimming beach area

By Operating Management Corporation

m Operation of boat ramp

By Operating Management Corporation

n Operation of Marina

By Operating Management Corporation

AUTHORIZATION TO INVESTIGATE

I hereby authorize PICKENS COUNTY to investigate, if necessary, my ability to finance, develop, and operate the facilities at WAR PATH Public Access Area

Andrew P. Ballard

Signature of Applicant

Date 07-28-04

AGREEMENT TO SUBMIT A LEASE APPLICATION

Applicant agrees, that upon selection as the successful bidder and written notification of such by PICKENS COUNTY, a Public Access Area Lease Application, described in this prospectus, and an advance payment of FOURTY Five Hundred Dollars (\$4,500 00) will be submitted to PICKENS COUNTY. The application and payment must be received by PICKENS COUNTY within fourteen (14) days from the date of written notification that the applicant is the successful bidder.

Signature of Applicant

i
r
s
Date _____

Lease will need ample time for engineering, architectural permitting and licensing applications before beginning construction. Projected time period for this will be a minimum of twelve (12) months before construction could begin.

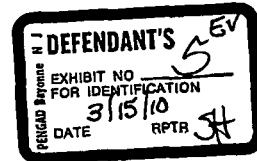
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Page 1 of 1

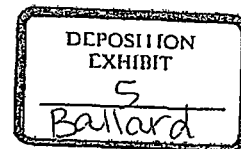
rick Thoennes Sr

From Rick Thoennes Sr [rcksr@marick.net]
Sent Saturday, December 15, 2007 2:59 PM
To apballard@msn.com
Cc Rick Thoennes, Tim Roberson
Subject Warpath
Attachments Andy letter of 12-15-07.doc



Andy, please open the attachment and let me know.

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RTTW 000521

12/22/2007



Andy we need you to decide on a couple of things

The approvals from Duke did not come as fast or in the way that we had talked about. As you know all of our proformas were based on the 200 paying slips. By cutting those in 4 and by delaying us past next spring (effectively 1 more year) the numbers have changed drastically.

The county also let us know that bringing in Larry Dyck would assure us of approval of the site plan. That is a costly consultant. We will also have to add turn lanes at 183 when we do the lodge.

The delay also moves the 2nd phase (lodge, restaurant & cottages) out to 2011. Tim, Rick III and I have discussed all of this and we all agree that we would have struck a different deal if we had known we could not get 200 slips and get approvals in a timely manner. We would have had to do 1 of 2 things: Pay less and not have 4 partners or not do the deal at all. The amount of return on investment is just not there at 100 slips.

We did all of our due diligence based upon the fact that we would get 200 slips, be able to get approval from the county on your conceptual site plan and be able to open in spring of 2008.

I believe the only options are

- 1 Return a sizeable portion of the \$1 mil and continue on or
- 2 Return all of the \$1 mil and you can sell it to someone else

Please give this consideration and let us know the option you prefer.

Rick Thoennes

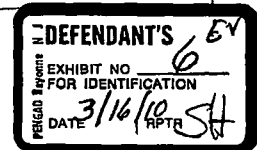
RTTW_000522



Page 1 of 1

Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys.net]
Sent Tuesday, January 08, 2008 1:42 PM
To rick@marick.net; Dad
Subject Discussion with Andy Ballard



I talked with Andy this morning and he offered no new ideas or solutions. He said that he had talked to a "some people about the situation". He went on to say that by the contract he only guaranteed the site plan and that by the contract we were to complete the project. I explained that I didn't see this as a legal issue but a business issue and that I was hoping he could be more helpful. He suggested that we build it in phases and that we build it cheaper.

The conversation was civil but I explained that for every business problem there is a business solution. I told him that I was going to ask that we elect me Chairman, CEO and/or President with the task of putting together a new finance plan to bring in additional capital or services to improve the ROI of the project. He said that he had no problem with that. I then told him that there would more than likely be some dilution if that happened.

I let him know that I would get back with him after talking with y'all.

Tim
1/11/08

Tim W. Roberson / Integrys Holdings LLC / 864 679 4490 Voice / 864 458 3313 Fax / 864 270 6368
Cell / www.integrys.net

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Version 7.5.516 / Virus Database 269 17 13/1213 Release Date 1/7/2008 9:11 AM



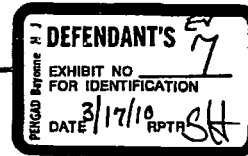
RTTW_000804

9/22/2008



Rick Thoennes, Sr

From Tim Roberson [Tim Roberson@integrys.net]
Sent Wednesday, March 12, 2008 3:03 AM
To ricksr@marick.net; rick@marick.net; apballard@msn.com
Subject Warpath



Commen

This has not been a good week for us. On Monday night the planning commission tabled our request for the waste water treatment permit. I've learned that a number of the council are still in favor of this project going forward. We are scheduled to close on the 44 acres for the treatment facility this Friday. I cannot justify the expenditure of nearly \$500K to purchase a piece of land that we have no guarantee will be of use to us. The owner has indicated that he will not give us an extension, but we are still requesting such. The icing on the cake came this morning when Palmetto Bank informed me that their credit committee has concluded our business plan is not viable and have declined to participate in the financing of the project.

I had planned to call for a shareholders meeting in about a month or so, but we are right now at a point where we will need to make some tough decisions. Andy in our last meeting was very clear that we did not think you delivered the opportunity as you advertised. The potential revenue is off considerably from the proformas you worked with us on. You gave us the clear indication that the 200 wet sludge was achievable. You represented that the permitting process was all but done and the project was ready to go. First came the lengthy process and delay for Duke to sign off on the layout. Then came the still continuing nightmare with the permitting process in Pickens County. That delay has now caused a real dilemma regarding the acreage needed for our treatment plant. If we lose this opportunity there is no clear alternative for the facility. On many occasions I heard you say how much the county was in favor of this project when in fact I know the majority are not in favor of it.

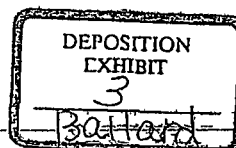
The result of all this misinformation has led to at least one bank saying we are not viable. Considerable loss of expected recurring revenues, delays that will, if we can salvage anything of this project, cost us a season at a minimum and the real possibility of a waste water treatment plant. Meanwhile, the interest clock is ticking.

In our last meeting everyone contributed a suggestion on how to lighten the load and move our way out of this. Except you. Your reserved comments offered no way out. They only served to protect you. I would like for you to consider contributing your 20% share back to the treasury in exchange for a no fault letter from us that will leave you harmless. I would like for you to provide for me the names of the people who approached you about purchasing this project. Do not want you to talk to them on our behalf, but I want to keep that option open for me. I would like a response as soon as possible.

I am sorry for the poor spelling as I am using a webmail and don't know how to spell check. I am sorry for the harsh tone, but it's about 3:00 AM and I can't get this or off my mind, so I just decided to cut to the chase.

Tim

No virus found in this incoming message
Checked by AVG Free Edition
Version 7.5.516 / Virus Database 269 21 6/13/6 - Release Date 3/6/2008 6:00 PM



RTTW 000667

IN THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM GREENVILLE COUNTY
Court of Common Pleas

Edward W Miller, Circuit Court Judge

Case No 2008-CP-23-05739

Andrew P (Andy) Ballard,

Respondent,

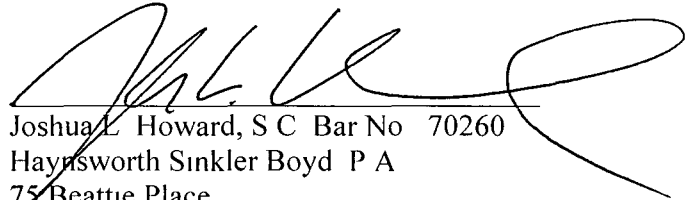
v

Tim Roberson, Rick Thoennes, Rick Thoennes III,
and Warpath Development, Inc

Appellants

CERTIFICATE OF COUNSEL

The undersigned hereby certifies that the Record on Appeal contains all material
proposed to be included by any of the parties and not any other material



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3/28/11, 2011

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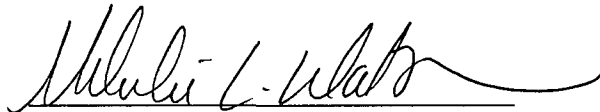
Tim Roberson, Rick Thoennes, Rick Thoennes III,
and Warpath Development, Inc

Appellants

PROOF OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the RECORD ON
APPEAL, VOLUMES I, II AND III were served upon all counsel of record on this the 1st
day of April, 2011, by hand-delivering a copy of the same to the following

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